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**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 13, 2007

**Dana Corporation**

(Exact name of registrant as specified in its charter)

Virginia

(State or other jurisdiction  
of incorporation)

1-1063

(Commission File Number)

34-4361040

(IRS Employer  
Identification Number)

4500 Dorr Street, Toledo, Ohio

(Address of principal executive offices)

43615

(Zip Code)

Registrant's telephone number, including area code: (419) 535-4500

Not applicable

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

Dana Corporation (Dana) and certain of its subsidiaries (collectively, the Debtors) are operating under Chapter 11 of the United States Bankruptcy Code. The Debtors' Chapter 11 cases (collectively, the Bankruptcy Cases) are pending in the United States Bankruptcy Court for the Southern District of New York (the Bankruptcy Court), where they have been consolidated under the caption *In re Dana Corporation, et al.*, Case No. 06-10354 (BRL).

On November 13, 2007, Dana approved amendments to certain nonqualified deferred compensation plans of Dana in which Dana employees, including certain named executive officers, as well as directors and retirees participate. The compensation plans and a description of the respective amendments to such plans are set forth below:

Dana Corporation Excess Benefits Plan, as amended and restated (the "EBP")

The EBP was amended to freeze participation in and future interest credit accruals under the EBP effective as of November 1, 2007. All future service credit accruals under the EBP were frozen as of July 1, 2007. In addition, the EBP was amended to permit a special one-time election for participants in the EBP to receive a lump sum payout in 2008 of their accrued benefits as a resolution of these claims, a majority of which are unsecured claims, pursuant to Dana's plan of reorganization submitted to the Bankruptcy Court and the bankruptcy claims distribution rules. Any participant who has an undistributed accrued benefit in the EBP as of November 1, 2007 is entitled to elect to receive a payment of his or her benefit under the EBP during 2008 (but not before the date on which a plan of reorganization for Dana as confirmed by the Bankruptcy Court takes effect) regardless of whether the employee has terminated active employment with Dana prior to the date of payment. Finally, the EBP was amended to comply with the documentary requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code").

Dana Corporation Supplemental Benefits Plan, as amended and restated (the "SBP")

The SBP was amended to freeze future participation in and benefit accruals under the SBP effective as of November 1, 2007. Further, the amendment includes a special one-time election for participants in the SBP to receive a lump sum payout in 2008 of their accrued benefits as a resolution of these claims, a majority of which are unsecured claims, pursuant to Dana's plan of reorganization and the bankruptcy claims distribution rules. Any participant in the SBP who has an undistributed accrued benefit in SBP as of November 1, 2007 is entitled to elect to receive a payment of his or her benefit under the Supplemental Plan during 2008 (but not before the date on which a plan of reorganization for Dana as confirmed by the Bankruptcy Court takes effect) regardless of whether the employee has terminated active employment with Dana prior to the date of payment. Finally, the SBP was amended to comply with the documentary requirements of Section 409A of the Code.

Dana Corporation Additional Compensation Plan, as amended and restated (the "ACP")

The ACP was amended to allow a special one-time election for participants in the ACP, a deferred compensation program under which there were no new accruals after December 31, 2004, to receive a lump sum payout in 2008 of their accrued benefits as a resolution of these claims, a majority of which are unsecured claims, pursuant to Dana's plan of reorganization and the bankruptcy claims distribution rules. Any participant who has an undistributed accrued benefit in the ACP as of November 1, 2007 is entitled to elect to receive a payment of his or her benefit under the ACP during 2008 (but not before the date on which a plan of reorganization for Dana as confirmed by the Bankruptcy Court takes effect) regardless of whether the employee has terminated active employment with Dana prior to the date of

payment. The ACP was also amended to comply with the documentary requirements of Section 409A of the Code.

Dana Corporation Director Deferred Fee Plan, as amended and restated (the "DDFP")

The DDFP was amended to allow a special one-time election for participants in the DDFP, a deferred compensation program under which there were no new accruals after December 31, 2004, to receive a lump sum payout in 2008 of their accrued benefits as a resolution of these claims, a majority of which are unsecured claims, pursuant to Dana's plan of reorganization and the bankruptcy claims distribution rules. Any participant who has an undistributed accrued benefit in the DDFP as of November 1, 2007 will be entitled to elect to receive a payment of his or her benefit under the DDFP during 2008 (but not before the date on which a plan of reorganization for Dana as confirmed by the Bankruptcy Court takes effect) regardless of whether the individual is an active Director of Dana prior to the date of payment. Additionally, the DDFP was amended to comply with the documentary requirements of Section 409A of the Code.

The foregoing description of these amendments to Dana's plans is qualified in its entirety by reference to the amended and restated plans, which are filed herewith as Exhibits 10.1 through 10.4 and are incorporated herein by reference.

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

(d) Exhibits. The following exhibits are filed with this report.

| <u>Exhibit No.</u> | <u>Description</u>                                                     |
|--------------------|------------------------------------------------------------------------|
| 10.1*              | Dana Corporation Excess Benefits Plan, as amended and restated         |
| 10.2*              | Dana Corporation Supplemental Benefits Plan, as amended and restated   |
| 10.3*              | Dana Corporation Additional Compensation Plan, as amended and restated |
| 10.4*              | Dana Corporation Director Deferred Fee Plan, as amended and restated   |

\* These Plans are management contract or compensatory plans.

**Signatures**

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

Dana Corporation  
(Registrant)

Date: November 16, 2007

By: /s/ Marc S. Levin \_\_\_\_\_  
Marc S. Levin  
Acting General Counsel and Acting Secretary

## Exhibit Index

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**DANA CORPORATION EXCESS BENEFITS PLAN**

ARTICLE I  
DEFINITIONS

1.1. "Benefit Payment Period" means the one of the following that applies to the particular Employee or Recipient:

(a) For an Employee or Recipient who is receiving payments for the remainder of a term certain period, Benefit Payment Period means the remainder of such term certain period.

(b) For an Employee or Recipient who is receiving payments for his or her remaining lifetime, the Benefit Payment Period is the Life Expectancy of the Employee or Recipient.

(c) For an Employee or Recipient who is receiving payments for his or her remaining lifetime plus payments for the lifetime of a Contingent Annuitant, the Benefit Payment Period is the Life Expectancy of the Employee or Recipient plus an additional period to reflect the Life Expectancy of the Contingent Annuitant after the death of the Employee or Recipient.

"Board" means the Board of Directors of the Company.

1.3. "Change in Control" shall mean, except as otherwise stated in Sections 4.9 and 4.10 of this Plan, the first to occur of any of the following events:

(a) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing 20% or more of the combined voting power of the Company's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with any acquisition by any corporation pursuant to a transaction that complies with clauses (1), (2) and (3) of paragraph (c) below; or

(b) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on December 8, 2003, constitute the Board (the "Incumbent Board") and any new director whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on December 8, 2003 or whose appointment, election or nomination for election was previously so approved or recommended. For purposes of the preceding sentence, any director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the

election of directors of the Company, shall not be treated as a member of the Incumbent Board; or

(c) there is consummated a merger, reorganization, statutory share exchange or consolidation or similar corporate transaction involving the Company or an direct or indirect subsidiary of the Company, a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or stock of another entity by the Company or any of its subsidiaries (each a "Business Combination"), in each case unless, immediately following such Business Combination, (1) the voting securities of the Company outstanding immediately prior to such Business Combination (the "Prior Voting Securities") continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity of the Business Combination or any parent thereof) at least 50% of the combined voting power of the securities of the Company or such surviving entity or parent thereof outstanding immediately after such Business Combination, (2) no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation or the surviving entity of the Business Combination or any parent thereof (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 20% or more of the combined voting power of the securities of the Corporation or surviving entity of the Business Combination or the parent thereof, except to the extent that such ownership existed immediately prior to the Business Combination and (3) at least a majority of the members of the board of directors of the Corporation or the surviving entity of the Business Combination or any parent thereof were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or

(d) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company.

Notwithstanding the foregoing, any disposition of all or substantially all of the assets of the Company pursuant to a spinoff, splitup or similar transaction (a "Spinoff") shall not be treated as a Change in Control if, immediately following the Spinoff, holders of the Prior Voting Securities immediately prior to the Spinoff continue to beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding securities of both entities resulting from such transaction, in substantially the same proportions as their ownership, immediately prior to such transaction, of the Prior Voting Securities; provided, that if another Business Combination involving the Corporation occurs in connection with or following a Spinoff, such Business Combination shall be analyzed separately for purposes of determining whether a Change in Control has occurred.

1.4. "Code" means the Internal Revenue Code of 1986, as amended, or as it may be amended from time to time.

1.5. "Company" means Dana Corporation, a corporation organized under the laws of the Commonwealth of Virginia.



1.6. "Contingent Annuitant" means the person designated to receive retirement benefits under this Plan following the death of the Employee or a Recipient.

1.7. "Deferred Awards" means deferred awards, earned under the Dana Corporation Additional Compensation Plan on account of long- or short-term award periods

(a) ending on or after January 1, 1988, except as provided in paragraph (b), below, and

(b) ending either before January 1, 1988, or on or after January 1, 1988, solely for purposes of determining the amount of the Employee's benefit under Section 5 of Part I of Appendix E of the Retirement Plan.

1.8 "Disabled" shall mean that the Employee is determined to be (a) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (b) by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan of the Company.

1.9. "Effective Date" means September 1, 1988.

1.10. "Employee" means an individual who is a participant (including a retired participant) in a funded, defined benefit pension plan maintained by the Company, or any successor plan that may be adopted or substituted for such plan if, and only if,

(a) the individual's benefits under such defined benefit plan are limited by reason of the provisions of such plan that are designed to comply with the limitations imposed by Section 401(a)(17) or Section 415 of the Code; and/or

(b) the individual is actively employed by the Company on or after September 1, 1988, and the individual's benefits under such defined benefit plan are limited by reason of the fact that Deferred Awards are not recognized as earnings for purposes of determining the individual's benefits under such defined benefit plan.

1.11 "Grandfathered Benefit" means that portion of an Employee's benefits under this Plan which had already been accrued by December 31, 2004 and was fully vested and not subject to a substantial risk of forfeiture on that date.

1.12. "Life Expectancy" means the expected remaining lifetime based on the Mortality Table and the age at the nearest birthday of the Employee or Recipient at the date the Lump Sum Payment is made. If a joint and contingent survivor annuity has been elected, then Life Expectancy shall reflect the joint Life Expectancies of the Employee or Recipient and Contingent Annuitant.

1.13. "Lump Sum Payment" shall be determined as set forth in paragraph (c) of Section 4.7 of the Plan.

1.14. "Mortality Table" shall mean the Unisex Pension Plan 1984 Mortality Table (set forward one year in age) or such other pensioner annuity mortality table as the Company with the written consent of the Employee or Recipient shall determine and the associated Uniform Seniority Table for the determination of joint life expectancies, provided that for distributions with annuity starting dates after December 31, 002 the Mortality Table used for purposes of adjusting any benefit for purposes of Sections 417(e) and 415(b)(2) of the Code shall be the 1994 GAR Table prescribed in Rev. Rul. 2001-62, based upon a fixed blend of 50 percent of the unloaded male mortality rates and 50 percent of the unloaded female mortality rates underlying the 1994 Group Annuity Reserving Table, projected to 2002.

1.15. "Net Specified Rate" shall mean the interest rate which will produce income on a tax free basis that equals the income produced by the Specified Rate net of the combined highest rates of Federal, state and local income taxes that are in effect in the jurisdiction of the Employee or Recipient on the date of payment of the Lump Sum Payment.

1.16. "Pension Plan" means the funded, defined benefit pension plan in which an Employee was participating at the time of his termination of employment (or retirement) from the Company.

1.17. "Plan" means the "Dana Corporation Excess Benefits Plan", as set forth herein.

1.18. "Plan Administrator" means the Plan Administrator appointed under the Pension Plan.

1.19. "Retirement Plan" means the Dana Corporation Retirement Plan, as amended from time to time.

1.20. "Specified Employee" means any Employee of the Company who was determined to be a "key employee" of the Company, within the meaning of Code section 416(i) (without regard to paragraph (5) thereof) as of the preceding specified employee identification date, pursuant to the Company's Policy on Identifying Specified Employees adopted by the Compensation Committee of the Company's Board, as such Policy may be amended from time to time.

1.21. "Specified Rate" shall mean an interest rate equal to 85% of a composite insurance company annuity rate provided by an actuary designated by the Plan Administrator (and provided by such actuary as of the last month of the calendar year next preceding the calendar year in which the distribution is made), subject to the condition that the interest rate in effect for any such year may not differ from the rate in effect for the prior year by more than one-half of one percent, and also subject to the condition that any such rate shall be rounded to the nearest one-tenth of one percent (and if such rate is equidistant between the next highest and next lowest one-tenth of one percent, rounded to the next lowest one-tenth of one percent).

ARTICLE II  
PURPOSE OF THE PLAN

2.1. Purpose. This Plan as adopted effective September 1, 1988, is hereby amended effective January 1, 1998 and is intended to continue the excess benefits plan of the Company that had previously been set forth in a Resolution of the Board dated June 9, 1975.

This Plan is amended and restated effective as of January 1, 2005 in order to comply with the requirements imposed on deferred compensation plans by Section 409A of the Code, as added by the American Jobs Creation Act of 2004. However, the new restrictions set forth in Section 4.9 below in order to comply with Code Section 409A shall not be applicable to any Grandfathered Benefit accrued under this Plan by December 31, 2004, and such Section 4.9 shall not be applicable to any Employee whose entire benefit under this Plan consists of a Grandfathered Benefit. By amending and restating this Plan, the Company does not intend to assume this Plan for purposes of Section 365 of the Bankruptcy Code, 11 USC Section 365.

ARTICLE III  
ELIGIBILITY

3.1. Eligibility. All Employees and beneficiaries of Employees eligible to receive retirement benefits from a funded, defined benefit pension plan sponsored by the Company shall be eligible to receive benefits under this Plan in accordance with Article IV, regardless of when the Employee may have terminated employment or retired (except as otherwise specified by Article IV).

ARTICLE IV  
BENEFITS

4.1. Basic Benefit.

(a) An Employee who, on or after September 1, 1988, terminates active employment or retires from active employment with the Company shall be entitled to receive a lump sum payment equal to the excess (if any) of:

(i) the total of the lump sum benefits that the Employee would have received from all Company-sponsored, funded, defined benefit pension plans in which he was a participant, determined without regard to the limitations on such benefits imposed by such plans in order to comply with the limitations imposed by Section 401(a)(17) and Section 415 of the Code and, in the case of an Employee who is actively employed by the Company on or after September 1, 1988, and solely for purposes of the benefits payable from the Retirement Plan (but not for purposes of any benefits payable pursuant to the second paragraph of Section 14 of Part I of Appendix E of the Retirement Plan), determined without regard to the provisions of the Retirement Plan that exclude Deferred Awards under the Dana Corporation Additional Compensation Plan from the definition of earnings under the Retirement Plan, and determined, except as provided in Section 4.1(e) hereof, on the basis of the

Mortality Table and the interest rate equal to the average annual yield on 30-year Treasury securities at constant maturity published in the Federal Reserve Statistical Release effective for the November preceding the beginning of the calendar year in which the first benefit payment is to be made, over

(ii) the total of the lump sum benefits that he is entitled to receive from such Company-sponsored, funded, defined benefit pension plans, determined on the basis of the assumption that the Employee's benefits under such plans are paid in the form of a lump sum benefit, payable as of the Employee's date of retirement under the Pension Plan and determined, except as provided in Section 4.1(e) hereof, on the basis of the Mortality Table and the interest rate equal to the average annual yield on 30-year Treasury securities at constant maturity published in the Federal Reserve Statistical Release effective for the November preceding the beginning of the calendar year in which the first benefit payment is to be made.

(b) Subject to the provisions of Section 4.2 hereof, and, if applicable, Section 4.9(b) hereof, the benefit payable pursuant to paragraph (a) of this Section 4.1, shall be paid in the form of a lump sum payment, payable as of the Employee's date of retirement under the Pension Plan or as soon thereafter as may be reasonably practical (but in no event later than the end of the calendar year which includes the Employee's date of retirement, or, if later, the fifteenth day of the third calendar month after such date of retirement).

(c) If an Employee eligible for a benefit under the Plan dies before the date as of which such benefit is scheduled to be paid hereunder, a lump sum benefit shall be paid to the Employee's surviving spouse (if any), as of the earliest month (if any) in which the spouse's benefits could commence under the Pension Plan or as soon thereafter as may be reasonably practical (but in no event later than the end of the calendar year which such month, or, if later, the fifteenth day of the third calendar month after the Employee's date of death). The amount of such benefit shall be a lump sum payment equal to the excess (if any) of:

(i) the total of the lump sum benefits that the spouse would have received from all Company-sponsored, funded, defined benefit pension plans in which the Employee was a participant but for the limitations on benefits imposed by such plans in order to comply with the limitations imposed by Section 401(a)(17) and Section 415 of the Code and, in the case of an Employee who is actively employed by the Company on or after September 1, 1988, and solely for purposes of the benefits payable from the Retirement Plan (but not for purposes of any benefits payable pursuant to the second paragraph of Section 14 of Part I of Appendix E of the Retirement Plan), determined without regard to the provisions of the Retirement Plan that exclude Deferred Awards under the Dana Corporation Additional Compensation Plan from the definition of earnings under the Retirement Plan, and determined on the basis of the Mortality Table and the interest rate equal to the average annual yield on 30-year Treasury securities at constant maturity published in the Federal Reserve Statistical Release effective for the November preceding the beginning of the calendar year in which the first benefit payment is to be made, over

(ii) the total of the lump sum benefits that the spouse is entitled to receive from such Company-sponsored, funded, defined benefit pension plans, determined on the basis of the assumption that the spouse's benefits under such plans are paid in the form of a lump sum benefit and determined on the basis of the Mortality Table and the interest rate equal to the average annual yield on 30-year Treasury securities at constant maturity published in the Federal Reserve Statistical Release effective for the November preceding the beginning of the calendar year in which the first benefit payment is to be made.

(d) No death benefits shall be paid hereunder with respect to an active Employee who is not married on the date of his death.

(e) Notwithstanding the foregoing provisions of this Section 4.1, if an active Employee retires and receives a benefit under any of the following plan provisions:

(i) Section 3.04 of the Retirement Plan;

(ii) Section 3.04D of the Dana Corporation Retirement Income Plan, as amended by the Second Amendment to that Plan;

(iii) Section 3.6D of the Dana Corporation Spicer Axle Salaried Pension Plan, as amended by the First Amendment to that Plan;

(iv) Section 5.1c.v. of the Retirement Plan for Management Employees of Racine Hydraulics Division-Dana Corporation, as amended by the First Amendment to that Plan;

(v) Section 4.6.5 of the Dana Corporation Weatherhead Division Pension Plan for Salaried Employees, as amended by the First Amendment to that Plan;

(vi) Section 4.7.1 of the Dana Corporation Gresen Manufacturing Division Management Pension Plan, as amended by the First Amendment to that Plan; or

(vii) Option E of Section 6.4 of the Tyrone Salaried Pension Plan, as amended by the First Amendment to that Plan,

then the benefits described in Section 4.1(a)(i) and (ii), in respect of the above-described plan benefits, shall be determined on the basis of the mortality rates, interest assumptions and other factors that would be applicable to the form of payment selected by the Employee under such other plan.

(f) Notwithstanding the foregoing provisions of this Section 4.1, benefits under this Plan shall only be based on that portion of an Employee's 1994 and subsequent years'

Additional Compensation Plan bonus awards (whether or not deferred) as do not exceed 125% of the base salary paid to the Employee by the Company for the applicable year.

(g) If an Employee is eligible to receive benefits under another nonqualified deferred compensation plan with respect to any period of service, and the other plan replaces benefits that are limited by the application of Section 401(a)(17) or Section 415 of the Code to a tax-qualified defined benefit plan, the Employee's benefits under this Plan shall be reduced by the benefits received under such other nonqualified plan with respect to the same period of service.

(h) Effective on and after June 30, 2007, the benefit payable to the Employee under Subsection 4.1(a) and the death benefit payable to the Employee's surviving spouse under Subsection 4.1(c), if any, shall not increase by reason of any additional future service credit accruals after the June 30, 2007 date on which benefit accruals under the Pension Plan were frozen, and the Employee's total lump sum benefits under Subsections 4.1(a)(1) and 4.1(c)(i) shall be calculated without including any benefits the Employee would have accrued under the pension formula under the relevant Pension Plan attributable to earnings, service or increases in average annual earnings after June 30, 2007 (or such later date as the freeze of the Employee's benefit accruals under the relevant Pension Plan may take effect). The intent of this Subsection 4.1(h) is that the Employee's benefit accruals under Subsection 4.1(a)(i) and 4.1(c)(i) shall be frozen as of the same date future service accruals under the relevant Pension Plan ceased.

(i) Effective on and after November 1, 2007, no benefit payable to any Employee under this Plan and no death benefit payable with respect to any such Employee shall exceed the amount of the benefit which would have been payable to the Employee under the terms of this Section 4.1 of this Plan, had the Employee retired on October 31, 2007. Such benefits shall not increase by reason of any crediting of additional interest credits for periods after October 31, 2007.

(j) Special One-Time Election to Receive Lump Sum Payouts Pursuant to Chapter 11 Plan. Notwithstanding anything else in this Plan to the contrary, any Employee who has an undistributed accrued benefit under this Plan as of November 1, 2007 and would not otherwise be entitled to receive a distribution under this Plan during 2006 or 2007, shall be entitled to elect, by filing a written election with the Vice President Human Resources of the Company before December 31, 2007, to receive a payment of his or her benefit under this Plan during 2008 (but not before the date on which the Chapter 11 Plan of Reorganization for the Company confirmed by the U.S. Bankruptcy Court takes effect) regardless of whether the Employee has terminated active employment with the Company prior to the date of payment. This payment shall be equal to the lesser of (i) the amount of the lump sum benefit calculated for the Employee under Section 4.1(a) of this Plan or (ii) the amount payable with respect to the Employee's claim for benefits under this Plan pursuant to the terms of the Company's Plan of Reorganization, and shall be paid in a lump sum payment (or series of lump sum payments to be completed during 2008) consisting of such payments of cash or stock as may be provided for similar unsecured claims in the terms of the Plan of

Reorganization confirmed by the U.S. Bankruptcy Court. Pursuant to IRS Notice 2005-1 Q&A-19(c), and IRS Notice 2006-79, any such election by the Employee will not be treated as a change in the form and timing of a payment subject to the 4.9(e) of this Plan and Code Section 409A(a)(4), provided that, the Participant files the election no later than December 31, 2007. With respect to a new election to change the time and form of payment made on or after January 1, 2007 and on or before December 31, 2007, the new payment election shall apply only to amounts that would not otherwise be payable in 2007.

#### 4.2 Form of Benefit Payments.

An Employee eligible for a benefit under this Plan shall be entitled to receive his benefit in the form of an immediate lump sum payment. However, subject to the restrictions set forth in Section 4.9 below, the Employee may request that his benefit be paid instead pursuant to an optional form of payment that would be available for the payment of the Employee's retirement benefit under the Pension Plan. The amount of the benefit payable pursuant to any form of payment under this paragraph (a) shall be determined by applying the mortality rates, interest assumptions and other factors prescribed by the Retirement Plan that would be applicable to the form of payment that the Employee has requested under this Plan. Any post-retirement increase in the benefits being paid to an Employee under the Pension Plan shall also be applied on a comparable basis to any monthly supplemental benefits being paid under this paragraph (a).

In addition to the distribution options available under paragraph (a) of this Section 4.2, an Employee eligible for a benefit under this Plan may request to receive his benefit in 120 monthly installments, regardless of whether the Employee has elected this form of payment for his retirement benefit under the Pension Plan. An Employee may elect the 120-month installment benefit only if his employment with the Company terminates on or after July 1, 1988. The Employee's lump sum benefit determined under paragraph (a) of Section 4.1 shall be converted to monthly installments using the "applicable interest rate" under Section 417(e) of the Code for the November preceding the calendar year in which the payments commence. If the Employee dies before 120 monthly payments have been made, there shall be paid to his beneficiary, commencing on the first day of the month following his death and continuing for the remainder of the 120-month period, the monthly benefit that had been paid to the Employee. No payments shall be made either to the Employee or to his beneficiary after 120 monthly payments have been made.

(c) If the Employee requests the 120-month installment option under paragraph (b), the Employee shall designate in writing a natural person (or persons) to be his beneficiary. The Employee may not designate a trust or his estate to be his beneficiary. If an Employee designates his spouse as his beneficiary and they thereafter divorce, such designation shall be automatically revoked. The Employee may change his beneficiary designation in writing at any time before his installment payments commence, but he may not change his beneficiary designation after his payments commence. If the Employee dies after his installment payments have commenced and he is not survived by a designated beneficiary, the remaining monthly payments shall be paid to the Employee's estate. If the

Employee is survived by a designated beneficiary, and the beneficiary dies before the complete disbursement of the payments due, the remaining monthly payments shall be paid to the beneficiary's estate.

(d) The Employee's written request to receive an optional form of payment under paragraph (a) or paragraph (b) instead of an immediate lump sum must be filed with the Vice President- Human Resources of the Company before the Employee's date of retirement under the Pension Plan, provided that any such election filed on or after January 1, 2005 shall also comply with the requirements set forth in Section 4.9 below. The request shall be granted or denied in the sole discretion of the Vice President-Human Resources of the Company. If the Employee is the Vice President-Human Resources of the Company, the duties of the Vice President-Human Resources of the Company under this Section 4.2 shall be discharged by the President of the Company.

4.3. Time and Duration of Benefit Payments. Benefits due under the Plan shall be paid in a lump sum, except as otherwise determined pursuant to an election filed with the Vice President-Human Resources or the President of the Company pursuant to Section 4.2 hereof.

Benefits payable under this Plan as a result of an Employee's retirement shall be payable as of the Employee's date of retirement under the Pension Plan or as soon thereafter as may be reasonably practical (but in no event later than the end of the calendar year which includes the Employee's date of retirement, or, if later, the fifteenth day of the third calendar month after such date of retirement), or to the extent the provisions of Section 4.9(b) below are applicable to the Employee because the Employee is a Specified Employee, six months and one day after the Employee's date of retirement.

4.4. Benefits Unfunded. The benefits payable under the Plan shall be paid by the Company each year out of its general assets and shall not be funded in any manner. The obligations that the Company incurs under this Plan shall be subject to the claims of the Company's other creditors having priority as to the Company's assets.

4.5. Nonalienability. The Plan Administrator may recognize the right of an alternate payee named in a domestic relations order to receive all or a portion of an Employee's benefit under this Plan, provided that (a) the domestic relations order would be a "qualified domestic relations order" within the meaning of Section 414(p) of the Code if Section 414(p) were applicable to the Plan; (b) the domestic relations order does not purport to give the alternate payee any right to assets of the Company or its affiliates; and (c) the domestic relations order does not purport to give the alternate payee any right to receive payments under the Plan before the Employee is eligible to receive such payments. If the domestic relations order purports to give the alternate payee a share of a benefit to which the Employee currently has a contingent or non-vested right, the alternate payee shall not be entitled to receive any payment from the Plan with respect to the benefit unless the Employee's right to the benefit becomes nonforfeitable. Except as set forth in the preceding two sentences with respect to domestic relations orders, and except as required under applicable federal, state, or local laws concerning the withholding of tax, rights to benefits payable under the Plan are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, attachment or other legal



process, or encumbrance of any kind. Any attempt to alienate, sell, transfer, assign, pledge, or otherwise encumber any such supplemental benefit, whether currently or thereafter payable, shall be void.

4.6. Successors to the Corporation. This Plan shall be binding upon and inure to the benefit of any successor or assign of the Company, including, without limitation, any corporation or corporations acquiring directly or indirectly all or substantially all of the assets of the Company whether by merger, consolidation, sale or otherwise (and such successor or assign shall thereafter be deemed embraced within the term "Company" for the purposes of this Plan. Notwithstanding the foregoing, the Plan will not be assumed by the Company for purposes of Section 365 of the Bankruptcy Code, 11 U.S.C. Section 365, or assumed or maintained by any other employer which may become a successor to the Company pursuant to the terms of the Company's Plan of Reorganization confirmed under Chapter 11 of the Bankruptcy Code..

4.7. Change in Control. Anything hereinabove in this Article IV or elsewhere in this Plan to the contrary notwithstanding:

(a) Lump sum payment. Upon the occurrence of a Change in Control, (i) each Employee, (ii) each former Employee and (iii) each Employee's spouse or beneficiary following his death who is receiving benefits under the Plan (each, a "Recipient") shall receive, on account of future payments of any and all benefits due under the Plan, a Lump Sum Payment, so that each such Employee, former Employee or Recipient will receive substantially the same amount of after-tax income as before the Change of Control, determined as set forth in paragraph (c) of this Section 4.7, provided that, effective on and after January 1, 2005, such lump sum distribution shall be limited to the Grandfathered Benefit unless the Change in Control also qualifies as a Change in Control Event as provided in Section 4.9(c) below. Subject to Section 4.9(c) below, this Lump Sum Payment shall be made during the calendar year which includes the effective date of the Change in Control.

(b) Certain matters following a lump sum payment. An Employee who has received a Lump Sum Payment pursuant to paragraph (a) of this Section 4.7 shall, thereafter (i) while in the employ of the Company, continue to accrue benefits under the Plan, and (ii) be eligible to be paid further benefits under the Plan, after appropriate reduction in respect of the Lump Sum Payment previously received. For purposes of calculating such reduction, the Lump Sum Payment shall be accumulated with interest at the Specified Rate in effect from time to time for the period of time from initial payment date to the next date on which a computation is to be made (i.e., upon Change in Control, retirement, or other termination of employment). It shall then be converted to a straight-life annuity using the current annuity certain factor. The current annuity certain factor will be determined on the Net Specified Rate basis if this benefit payment is being made due to a subsequent Change in Control; otherwise, the Specified Rate shall be used.

(c) Determination of lump sum payment. The Lump Sum Payment referred to in paragraph (a) of this Section 4.7 shall be determined by multiplying the annuity certain factor (for monthly payments at the beginning of each month) based on the Benefit Payment Period

and the Net Specified Rate by the monthly benefit (adjusted for assumed future benefit adjustments due to Social Security and Code Section 415 changes in the Pension Plan) to be paid to the Employee or Recipient under the Plan. The date of the Change in Control shall be treated as the date of retirement for each Employee who would otherwise be eligible for retirement as of such date for purposes of calculating the Lump Sum Payment.

4.8. Taxation. Notwithstanding anything in the Plan to the contrary, if the Internal Revenue Service determines that the Employee is subject to Federal income taxation on an amount in respect of any benefit provided by the Plan before the distribution of such amount to him, the Company shall forthwith pay to the Employee all (or the balance) of such amount as is includible in the Employee's Federal gross income and shall correspondingly reduce future payments, if any, of the benefit. ). Except as provided in Section 4.7 with respect to payments after a Change in Control, the Company shall not reimburse the Employee or any Recipient for any tax, interest, or penalty that the Employee or Recipient owes with respect to any payment from the Plan. Effective on and after January 1, 2005, this Section 4.8 shall only apply to Grandfathered Benefits accrued under this Plan as of December 31, 2004.

4.9 Additional Restrictions on Deferred Compensation. Effective on and after January 1, 2005, any payment of benefits under the Plan to an Employee (other than Grandfathered Benefits described in Subsection 4.9(e) below) shall be subject to the additional restrictions imposed pursuant to Code Section 409A set forth in the following Subsections 4.9 (a), (b), (c), (d) and (e).

(a) Restriction on In-Service Distributions. No benefits payable to an Employee under this Plan shall be distributed earlier than

(i) the date of the Employee's separation from service with the Company [as this term may be defined in Section 409A(a)(2)(A)(i) of the Code and regulations promulgated thereunder],

(ii) the date the Employee becomes Disabled,

(iii) the date of the Employee's death,

(iv) a specified time (or pursuant to a fixed schedule) specified under the Plan (including pursuant to an election under Section 4.1(j) of the Plan); or

(v) a Change in Control, but only to the extent provided in Subsection 4.9(c) below and regulations under Section 409A of the Code.

(b) Additional Restriction on Distributions to Specified Employees. Notwithstanding Section 4.2 above, on or after January 1, 2005, if at the time a benefit would otherwise be payable to an Employee under this Plan, the Employee is a "Specified Employee" [as defined in Section 1.20 above], the distribution of the Employee's benefit may not be made or commence until six months and one day after the date of the Employee's

separation from service with the Company [as that term may be defined in Section 409A(a)(2)(A)(i) of the Code and regulations promulgated thereunder], or, if earlier the date of death of the Employee. Any payments not made to the Employee during the six-month period shall be made to the Employee, along with interest at the rate credited under the Pension Plan for the same period, six months and one day after the date of the Employee's separation from service with the Company (or as soon thereafter as may be reasonably practical). This Subsection 4.9(b) shall remain in effect only for periods in which the stock of the Company is publicly traded on an established securities market.

(c) Payments on a Change in Control. If a Change in Control occurs on and after January 1, 2005 (the effective date of the termination of this Plan), the immediate lump sum benefit payable to an Employee pursuant to Section 4.8 above shall be limited to the Employee's Grandfathered Benefit (if any) except to the extent that such Change in Control also satisfies the requirements for a Change in Control Event, as described in Treasury Regulation Section 1.409A-3(i)(5), with respect to the Employee.

(d) No Linkage to Benefit Elections under Qualified Plan. Notwithstanding any other provision of this Plan to the contrary, effective on and after January 1, 2008, the Employee may not elect to receive the benefits payable to the Employee under this Plan in optional forms of benefit payment other than a lump sum payment, as provided for in Section 4.2. After December 31, 2007, the Plan Administrator shall disregard any Employee's election to receive his benefits under this Plan in the same optional form of payment in which his benefits under the Pension Plan are to be paid, except to the extent such election relates only to a Grandfathered Benefit.

(e) Restrictions on Subsequent Elections. Except as provided in Section 4.1(j) above, any request or election to change the form in which an Employee's benefits under this Plan are distributed filed with the Company on or after January 1, 2005 shall be given effect only if it satisfies the following conditions:

(i) such request or election may not take effect until at least 12 months after the date on which the election is filed with the Company pursuant to Section 4.2 above; and

(ii) in the case of any request or election to change the timing of payment for a benefit from this Plan (other than a benefit payable as result of the Employee's death), the first payment made pursuant to such an election may not be made prior to the end of the period of 5 years from the date such payment would otherwise have been made.

(f) Grandfathered Benefits. For periods between January 1, 2005 and the November 1, 2007 effective date of Section 4.1(j), the restrictions imposed by this Section 4.9 shall not apply to that portion, if any, of the benefits payable to an Employee who had a non-forfeitable right to receive benefits under this Plan by December 31, 2004 which does not exceed the Employee's Grandfathered Benefit.

(g) Interpretation. This Section 4.9 has been adopted only in order to comply with the requirements added by Section 409A of the Code. This Section 4.9 shall be interpreted and administered in a manner consistent with the requirements of Code Section 409A, together with any regulations or other guidance which may be published by the Treasury Department or Internal Revenue Service interpreting such Section 409A. This Section 4.9 is not intended to restrict the operation of this Plan in any manner not necessary to avoid adverse tax consequences under such Section 409A of the Code.

#### 4.10 Change in Control Events

(a) Effective on and after January 1, 2005, for purposes of Section 4.9(c) and other provisions of this Plan, a “Change in Control Event” shall mean a “Change in Ownership” as defined in subsection 4.10(b) below, a “Change in Effective Control” as defined in Subsection 4.10(c) below, or a “Change in Ownership of a Substantial Portion of Assets” as defined in Subsection 4.10(d) below. This Section 4.10 has been adopted only in order to comply with the requirements added by Section 409A of the Code, and shall be interpreted and administered in a manner consistent with the requirements of Code Section 409A, together with Treasury Regulation Section 1.409A-3(i)(5) and any other regulations or guidance which may be published by the Treasury Department or Internal Revenue Service from time to time interpreting such Section 409A.

(b) Change in Ownership. For purposes of Section 4.9 and this Section 4.10, a “change in the ownership” of the Company occurs on the date that any one person, or more than one person acting as a group (as defined in Treasury Regulation Section 1.409A-3(i)(5)(v) or any successor regulation), acquires ownership of stock of the Company that, together with stock held by such person or group, constitutes more than 50 percent of the total fair market value or total voting power of the stock of the Company. However, if any one person or more than one person acting as a group, is considered to own more than 50 percent of the total fair market value or total voting power of the stock of the Company, the acquisition of additional stock by the same person or persons is not considered to cause a change in the ownership of the Company (or to cause a change in the effective control of the Company (within the meaning of subsection 4.10(c) below). An increase in the percentage of stock owned by any one person, or persons acting as a group, as a result of a transaction in which the Company acquires its stock in exchange for property will be treated as an acquisition of stock for purposes of this section.

(c) Change in the Effective Control. For purposes of Section 4.9 and this Section 4.10, a change in the effective control of the Company occurs on the date that either –

(i) Any one person, or more than one person acting as a group (as defined in Treasury Regulation Section 1.409A-3(i)(5)(v) or any successor regulation), acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of the Company

possessing 30 percent or more of the total voting power of the stock of the Company; or

(ii) a majority of members of the Company's Board of Directors is replaced during any 12-month period by directors whose appointment or election was not endorsed by a majority of the members of the Company's Board of Directors prior to the date of the appointment or election.

In the absence of an event described in paragraph (i) or (ii), a change in the effective control of a Company will not have occurred.

(d) Change in the Ownership of a Substantial Portion of the Company's Assets. For purposes of Section 4.9 and this Section 4.10, a change in the ownership of a substantial portion of the Company's assets occurs on the date that any one person, or more than one person acting as a group acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to or more than 40 percent of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions. For this purpose, gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

(e) Exclusion of Transfers to Related Parties. There is no Change in Control Event under this Subsection 4.10(d) when there is a transfer to an entity that is controlled by the shareholders of the Company immediately after the transfer, as provided in this paragraph. A transfer of assets by the Company is not treated as a change in the ownership of such assets if the assets are transferred to

(i) A shareholder of the Company (immediately before the asset transfer) in exchange for or with respect to its stock;

(ii) An entity, 50 percent or more of the total value or voting power of which is owned, directly or indirectly, by the Company;

(iii) A person, or more than one person acting as a group, that owns, directly or indirectly, 50 percent or more of the total value or voting power of all the outstanding stock of the Company; or

(iv) An entity, at least 50 percent of the total value or voting power of which is owned, directly or indirectly, by a person described in paragraph (iii).

For purposes of this paragraph and except as otherwise provided, a person's status is determined immediately after the transfer of the assets. For example, a transfer to a corporation in which the transferor corporation has no ownership interest before the transaction, but which is a majority-owned subsidiary of the transferor corporation after the

transaction is not treated as a change in the ownership of the assets of the transferor corporation.

ARTICLE V  
AMENDMENT, TERMINATION AND INTERPRETATION

5.1. Amendment and Termination. The Company reserves the right, by action of the Board, to amend, modify or terminate, either retroactively or prospectively, any or all of the provisions of this Plan without the consent of any Employee or beneficiary; provided, however, that no such action on its part shall adversely affect the rights of an Employee and his beneficiaries without the consent of such Employee (or his beneficiaries, if the Employee is deceased) with respect to any benefits accrued prior to the date of such amendment, modification, or termination of the Plan if the Employee has at that time a non-forfeitable right to benefits under a funded, defined benefit pension plan sponsored by the Company.

Notwithstanding the foregoing, effective on and after January 1, 2005, no payment of benefits under this Plan (other than Grandfathered Benefits) to any Employee or beneficiary shall be accelerated as the result of any termination or amendment of the Plan except to the extent that (a) the Plan is being terminated with the explicit approval of a U.S. bankruptcy court pursuant to Section 503(b)(1)(A) of the U.S. Bankruptcy Code, (b) the Company is terminating the Plan as a result of a Change in Control Event (as defined in Section 4.10 above) within the period beginning 30 days prior to and ending 12 months after the effective date of the Change in Control Event, or (c) such accelerated payment may otherwise be permitted under Treasury Regulation Section 1.409A-3(j)(5).

5.2. Interpretation. The Plan Administrator shall have the discretionary authority to interpret the Plan and to decide any and all matters arising hereunder; including but not limited to the right to remedy possible ambiguities, inconsistencies or omissions by general rule or particular decision. In addition, any interpretations and decisions made by the Plan Administrator shall be final, conclusive and binding upon the persons who have or who claim to have any interest in or under the Plan.

5.3 Impact of Bankruptcy Reorganization. Effective on and after March 3, 2006, no benefits shall be paid to any Employee under this Plan except to the extent that payment of such benefit (a) has been expressly approved by the US Bankruptcy Court or (b) is permitted by the terms of the Company's Chapter 11 Plan of Reorganization. To the extent a participating Employee would otherwise have been entitled to receive a benefit payment under this Plan during 2006 or 2007, but the Company was not able to complete such payment by reason of the restrictions on payment of unsecured claims imposed on the Company as a result of its bankruptcy filing, the participant shall be entitled to receive a payment from the Company in settlement of any and all claims the participant may have with respect to such benefit, at the time and in the manner prescribed by the terms of the Plan of Reorganization confirmed by the U.S. Bankruptcy Court.

**IN WITNESS WHEREOF**, Dana Corporation has executed this amended and restated Plan as of this 13<sup>th</sup> day of November, 2007.

**DANA CORPORATION**

By: /s/ R B Priory \_\_\_\_\_

/s/ V P Boyd \_\_\_\_\_

Witness

**DANA CORPORATION SUPPLEMENTAL BENEFITS PLAN**

ARTICLE I  
DEFINITIONS

1.1. "Benefit Payment Period" means the one of the following that applies to the particular Employee or Recipient:

- (a) For an Employee or Recipient who is receiving payments for the remainder of a term certain period, Benefit Payment Period means the remainder of such term certain period.
- (b) For an Employee or Recipient who is receiving payments for his or her remaining lifetime, the Benefit Payment Period is the Life Expectancy of the Employee or Recipient.
- (c) For an Employee or Recipient who is receiving payments for his or her remaining lifetime plus payments for the lifetime of a Contingent Annuitant, the Benefit Payment Period is the Life Expectancy of the Employee or Recipient plus an additional period to reflect the Life Expectancy of the Contingent Annuitant after the death of the Employee or Recipient.

1.2 "Board" means the Board of Directors of the Company.

1.3 "Change in Control" shall mean, except as otherwise stated in Sections 4.9 and 4.10 of this Plan, the first to occur of any of the following events:

- (a) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing 20% or more of the combined voting power of the Company then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with any acquisition by any corporation pursuant to a transaction that complies with clauses (1), (2) and (3) of paragraph (c) below; or
- (b) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on December 8, 2003, constitute the Board (the "Incumbent Board") and any new director whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on December 8, 2003 or whose appointment, election or nomination for election was previously so approved or recommended. For purposes of the preceding sentence, any director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation,



relating to the election of directors of the Company, shall not be treated as a member of the Incumbent Board; or

- (c) there is consummated a merger, reorganization, statutory share exchange or consolidation or similar corporate transaction involving the Company or any direct or indirect subsidiary of the Company, a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or stock of another entity by the Company or any of its subsidiaries (each a “Business Combination”), in each case unless, immediately following such Business Combination, (1) the voting securities of the Company outstanding immediately prior to such Business Combination (the “Prior Voting Securities”) continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity of the Business Combination or any parent thereof) at least 50% of the combined voting power of the securities of the Corporation or such surviving entity or parent thereof outstanding immediately after such Business Combination, (2) no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company or the surviving entity of the Business Combination or any parent thereof (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 20% or more of the combined voting power of the securities of the Corporation or surviving entity of the Business Combination or the parent thereof, except to the extent that such ownership existed immediately prior to the Business Combination and (3) at least a majority of the members of the board of directors of the Corporation or the surviving entity of the Business Combination or any parent thereof were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or
- (d) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company.

Notwithstanding the foregoing, any disposition of all or substantially all of the assets of the Company pursuant to a spinoff, splitup or similar transaction (a “Spinoff”) shall not be treated as a Change in Control if, immediately following the Spinoff, holders of the Prior Voting Securities immediately prior to the Spinoff continue to beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding securities of both entities resulting from such transaction, in substantially the same proportions as their ownership, immediately prior to such transaction, of the Prior Voting Securities; provided, that if another Business Combination involving the Corporation occurs in connection with or following a Spinoff, such Business Combination shall be analyzed separately for purposes of determining whether a Change in Control has occurred.

For purposes of this definition of “Change in Control,” the following terms shall have the following meanings:

“Affiliate” shall mean a corporation or other entity which is not a Subsidiary and which directly, or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company. For the purpose of this definition, the terms “control,” “controls” and “controlled” mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a corporation or other entity, whether through the ownership of voting securities, by contract or otherwise.

“Beneficial Owner” shall have the meaning set forth in Rule 13d-3 under the Exchange Act.

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

“Person” shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Corporation or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities or (iv) a corporation owned, directly or indirectly, by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation.

“Subsidiary” shall mean a corporation or other entity, of which 50% or more of the voting securities or other equity interests is owned directly, or indirectly through one or more intermediaries, by the Company.

1.4 “Code” means the Internal Revenue Code of 1986, as amended, or as it may be amended from time to time.

1.5 “Company” means Dana Corporation, a corporation organized under the laws of the Commonwealth of Virginia.

1.6 “Contingent Annuitant” means the person designated to receive retirement benefits under this Plan following the death of the Employee or a Recipient.

1.7 “Credited Service” means “Credited Service” as that term is defined in the Retirement Income Plan.

1.8 “Effective Date” means September 1, 1988.

1.9 “Employee” means an individual who is a participant (including a retired participant) in a funded, defined benefit pension plan maintained by the Company, or any successor plan that may be adopted or substituted for such plan if, and only if, (a) the individual is actually employed by the Company on September 1, 1988, and (b) the individual is a U.S.-

based member of the long-term awards group as of September 1, 1988, under the Dana Corporation Additional Compensation Plan.

1.10 "Excess Plan" means the Dana Corporation Excess Benefits Plan, as amended from time to time.

1.11 "Grandfathered Benefit" means that portion of an Employee's benefits under this Plan which had already been accrued by December 31, 2004 and was fully vested and not subject to a substantial risk of forfeiture on that date.

1.12 "Highest Average Monthly Earnings" means the sum of:

- (a) the Employee's basic salary (before any reduction as a result of an election to have his pay reduced in accordance with a "cafeteria plan" or a "cash or deferred arrangement" pursuant to Section 125 or Section 401(k) of the Code), and
- (b) bonuses and incentive payments paid (or that would have been paid, but for a deferral arrangement) to the Employee (provided, however, that with respect to 1994 and subsequent years' bonus awards under the Company's Additional Compensation Plan, only that portion of the Employee's bonus award as does not exceed 125% of his base salary will be considered)

during any 3 calendar years out of the last 10 calendar years of active employment with the Company prior to retirement in which such sum was the highest, divided by 36.

1.13 "Life Expectancy" means the expected remaining lifetime based on the Mortality Table and the age at the nearest birthday of the Employee or Recipient at the date the Lump Sum Payment is made. If a joint and contingent survivor annuity has been elected, then Life Expectancy shall reflect the joint Life Expectancies of the Employee or Recipient and Contingent Annuitant.

1.14 "Lump Sum Payment" shall be determined as set forth in paragraph (c) of Section 4.7 of the Plan.

1.15 "Mortality Table" shall mean the Unisex Pension 1984 Mortality Table set forward one year in age (or such other pensioner annuity mortality table as the Company with the written consent of the Employee or Recipient shall determine) and the associated Uniform Seniority Table for the determination of joint life expectancies.

1.16 "Net Specified Rate" shall mean the interest rate which will produce income on a tax free basis that equals the income produced by the Specified Rate net of the combined highest rates of Federal, state and local income taxes that are in effect in the jurisdiction of the Employee or Recipient on the date of payment of the Lump Sum Payment.

1.17 "Pension Plan" means the funded, defined benefit pension plan in which an Employee was participating at the time of his termination of employment (or retirement) from the Company.

1.18 "Plan" means the "Dana Corporation Supplemental Benefits Plan", as set forth herein.

1.19 "Plan Administrator" means the Plan Administrator appointed under the Pension Plan.

1.20 "Primary Social Security Benefit" means "Primary Social Security Benefit" as that term is defined by the Retirement Income Plan.

1.21 "Retirement Income Plan" means the Dana Corporation Retirement Income Plan, as in effect on June 30, 1998.

1.22 "Specified Employee" means any Employee of the Company who has been determined to be a "key employee" of the Company, within the meaning of Code section 416(i) (without regard to paragraph (5) thereof) as of the preceding specified employee identification date, pursuant to the Company's Policy on Identifying Specified Employees adopted by the Compensation Committee of the Company's Board, as such Policy may be amended from time to time.

1.23 "Specified Rate" means an interest rate equal to 85% of a composite insurance company annuity rate provided by an actuary designated by the Plan Administrator (and provided by such actuary as of the last month of the calendar year next preceding the calendar year in which the distribution is made), subject to the condition that the interest rate in effect for any such year may not differ from the rate in effect for the prior year by more than one-half of one percent, and also subject to the condition that any such rate shall be rounded to the nearest one-tenth of one percent (and if such rate is equidistant between the next highest and next lowest one-tenth of one percent, rounded to the next lowest one-tenth of one percent).

1.24 "Temporary Retirement Benefit" means the benefit described in Section 4.1(b)(i)(B) hereof.

1.25 "Vesting Service" means "Vesting Service" as that term is defined by the Retirement Income Plan.

## ARTICLE II PURPOSE OF THE PLAN

2.1. Purpose. This Plan is adopted effective September 1, 1988, and amended effective July 16, 2002, and is intended to provide supplemental benefits to Employees and their beneficiaries in addition to any benefits to which such Employees and beneficiaries may be entitled under other Company-sponsored, funded, defined benefit pension plans and the Excess Plan.

This Plan is amended and restated effective January 1, 2005 in order to comply with the new requirements imposed on deferred compensation plans by Section 409A of the Code, as added by the American Jobs Creation Act of 2004. However, the new restrictions set forth in Section 4.9 below in order to comply with Code Section 409A shall not be applicable to any Grandfathered Benefit accrued under this Plan by December 31, 2004, and such Section 4.9 shall not be applicable to any Employee whose entire benefit under this Plan consists of a Grandfathered Benefit. By amending and restating this Plan, the Company does not intend to assume this Plan for purposes of Section 365 of the Bankruptcy Code, 11 USC Section 365.

ARTICLE III  
ELIGIBILITY

3.1. Eligibility. All Employees and beneficiaries of Employees eligible to receive retirement benefits from a Pension Plan shall be eligible to receive benefits under this Plan in accordance with Article IV, regardless of when the Employee may have terminated employment or retired (except as otherwise specified by Article IV).

ARTICLE IV  
BENEFITS

4.1. Basic Benefits.

- (a) An Employee who, on or after September 1, 1988, retires from active employment with the Company on or after his 65th birthday, shall be entitled to receive a lump sum benefit that is the actuarial equivalent (determined in accordance with Section 4.2 hereof) of a monthly supplemental benefit equal to the excess (if any) of:
- (i) (A) 1.6 percent of the Employee's Highest Average Monthly Earnings multiplied by the number of years and fractional parts thereof of his Credited Service at the time of retirement, less
  - (B) 2 percent of the Employee's Primary Social Security Benefit multiplied by the number of years and fractional parts thereof of his Credited Service but not more than 50 percent of the Employee's Primary Social Security Benefit, over
  - (ii) the sum of the monthly benefits he is entitled to receive from all Company-sponsored, funded, defined benefit pension plans, and the Excess Plan, determined in each case on the basis of the assumption that the Employee's benefits under such plans are paid in the form of a single life annuity for the life of the Employee, commencing as of the Employee's date of retirement under the Pension Plan.

- (b) An Employee who, on or after September 1, 1988, retires from employment with the Company on or after his 50th birthday, after completing 10 years of Vesting Service, after the sum of his age and years of Vesting Service, both calculated to the nearest month, equal 70 or more, and before his 65th birthday, shall be entitled to receive a lump sum benefit that is the actuarial equivalent (determined in accordance with Section 4.2 hereof) of a monthly supplemental benefit equal to the excess (if any) of
- (i) (A) the retirement benefit described in Section 4.1(a)(i) hereof, plus
  - (B) a Temporary Retirement Benefit equal to the Employee's Primary Social Security Benefit, reduced, if applicable, by the actual amount of any unreduced Social Security benefit paid to the Employee, payable through the month in which the Employee attains age 62, provided that if the Employee has less than 25 years of Credited Service, the Temporary Retirement Benefit shall be prorated based on the proportion of 25 years of Credited Service that has been credited to the Employee at the time of his retirement; and provided further that
  - (C) retirement benefits prescribed by paragraph (A), above, and Temporary Retirement Benefits prescribed by paragraph (B), above, shall not exceed the following limitations:
    - I. Temporary Retirement Benefits payable to all Employees, and retirement benefits payable to all Employees who participated in the Retirement Income Plan as of December 31, 1983, and who had attained age 45 as of that date, shall not exceed the percentage of such benefits prescribed by the following schedule, based on the Employee's age on the date of retirement:

| Age | Percentage |
|-----|------------|
| 64  | 100%       |
| 63  | 100%       |
| 62  | 100%       |
| 61  | 95%        |
| 60  | 90%        |
| 59  | 85%        |
| 58  | 80%        |
| 57  | 75%        |
| 56  | 70%        |
| 55  | 65%        |
| 54  | 60%        |
| 53  | 55%        |
| 52  | 50%        |
| 51  | 45%        |
| 50  | 40%        |

- II. Retirement benefits payable to all Employees who did not participate in the Retirement Income Plan on December 31, 1983, or who had not attained age 45 as of that date, shall not exceed the percentage of such benefits prescribed by the following schedule, based on the Employee's age on the date of retirement:

| Age | Percentage |
|-----|------------|
| 65  | 100%       |
| 64  | 95%        |
| 63  | 90%        |
| 62  | 85%        |
| 61  | 80%        |
| 60  | 75%        |
| 59  | 70%        |
| 58  | 65%        |
| 57  | 60%        |
| 56  | 55%        |
| 55  | 50%        |
| 54  | 45%        |
| 53  | 40%        |
| 52  | 35%        |
| 51  | 30%        |
| 50  | 25%        |

over

- (ii) the sum of the monthly benefits he is entitled to receive from all Company-sponsored, funded, defined benefit pension plans and the Excess Plan, determined in each case on the basis of the assumption that the Employee's benefits under such plans are paid in the form of a single life annuity for the life of the Employee, commencing as of the Employee's date of retirement under the Pension Plan.
- (c) Subject to the provisions of Section 4.2 hereof and, if applicable, Section 4.9(b) hereof, the benefit payable pursuant to paragraph (a) or (b) of this Section 4.1, shall be paid in the form of a lump sum, payable as of the Employee's date of retirement under the Pension Plan or as soon thereafter as may be reasonably practical (but in no event later than the end of the calendar year which includes the Employee's date of retirement, or, if later, the fifteenth day of the third calendar month after such date of retirement).
- (d) If an Employee dies before the date as of which benefits are scheduled to be paid or to commence hereunder, the Employee's surviving spouse (if any) shall be entitled to receive a lump sum benefit equal to 100 percent of the benefit to which

the Employee would have been entitled under paragraph (c), above, if the Employee had retired on the date of his death, payable as of the earliest month (if any) in which the spouse's benefits could commence under the Pension Plan or as soon thereafter as may be reasonably practical (but in no event later than the end of the calendar year which such month, or, if later, the fifteenth day of the third calendar month after the Employee's date of death).

- (e) No death benefits shall be paid hereunder with respect to an active Employee who is not married on the date of his death.
- (f) Effective on and after November 1, 2007, no benefit payable to any participating Employee under this Plan and no death benefit payable with respect to any such participating Employee shall exceed the amount of the benefit which would have been payable to the Employee under the terms of this Section 4.1 of this Plan, or if applicable, Appendix A of this Plan, had the Employee retired on October 31, 2007.

#### 4.2. Form of Benefit Payments.

- (a) An Employee eligible for a benefit under this Plan shall be entitled to receive his benefit in the form of an immediate lump sum payment. However, subject to the restrictions set forth in Section 4.9 below, the Employee may request that his benefit be paid instead, concurrently with any benefit that the Employee is entitled to receive under the Excess Plan, pursuant to an optional form of payment that is used for the payment of the Employee's retirement benefit under the Pension Plan. The amount of the benefit payable pursuant to any form of payment under this paragraph (a) shall be determined by applying the mortality rates, interest assumptions, and other factors prescribed by the Retirement Income Plan that would be applicable to the form of payment that the Employee has requested under this Plan; provided that if a lump sum distribution is made hereunder, the amount of the lump sum distribution shall be equal to the excess of the amount determined under paragraph (i), below, over the amount determined under paragraph (ii), below:
  - (i) The total lump sum amount that is actuarially equivalent to the monthly supplemental benefit prescribed by Section 4.1(a)(i) or Section 4.1(b)(i), whichever is applicable, calculated using the basis described in subparagraph (i) or (ii), below, whichever produces the larger lump sum amount:
    - (A) the lump sum amount calculated on the basis of the "applicable interest rate" (as in effect for the November preceding the calendar year in which the calculation is made) and the "applicable mortality table", both as defined in Section 417(e) of the Code; or



- (B) the lump sum amount calculated on the basis of an interest rate equal to 85% of a composite insurance company annuity rate provided by an actuary designated by the Plan Administrator (and provided by such actuary as of the December next preceding the calendar year in which the distribution is made), subject to the condition that the interest rate in effect for any such year may not differ from the rate in effect for the prior year by more than one-half of one percent, and also subject to the condition that any such rate shall be rounded to the nearest one-tenth of one percent (and if such rate is equidistant between the next highest and next lowest one-tenth of one percent, rounded to the next lowest one-tenth of one percent), and on the basis of the applicable mortality assumption for males under the 1971 Group Annuity Mortality Table.
- (ii) The total lump sum distribution that he is entitled to receive under all Company-sponsored, funded, defined benefit pension plans and the Excess Plan, determined on the basis of the interest rate and mortality assumptions required by the terms of those plans.
- (b) In addition to the distribution options available under paragraph (a) of this Section 4.2, an Employee eligible for a benefit under this Plan may request to receive his benefit in 120 monthly installments, regardless of whether the Employee has elected this form of payment for his retirement benefit under the Excess Plan or the Pension Plan. An Employee may elect the 120-month installment benefit only if his employment with the Company terminates on or after July 1, 1988. The Employee's lump sum benefit determined under Section 4.1 shall be converted to monthly installments using the "applicable interest rate" under Section 417(e) of the Code for the November preceding the calendar year in which the payments commence. If the Employee dies before 120 monthly payments have been made, there shall be paid to his beneficiary, commencing on the first day of the month following his death and continuing for the remainder of the 120-month period, the monthly benefit that had been paid to the Employee. No payments shall be made either to the Employee or to his beneficiary after 120 monthly payments have been made.
- (c) If the Employee requests the 120-month installment option under paragraph (b), the Employee shall designate in writing a natural person (or persons) to be his beneficiary. The Employee may not designate a trust or his estate to be his beneficiary. If an Employee designates his spouse as his beneficiary and they thereafter divorce, such designation shall be automatically revoked. The Employee may change his beneficiary designation in writing at anytime before his installment payments commence, but he may not change his beneficiary designation after his payments commence. If the Employee dies after his installment payments have commenced and he is not survived by a designated beneficiary, the remaining monthly payments shall be paid to the Employee's

estate. If the Employee is survived by a designated beneficiary, and the beneficiary dies before the complete disbursement of the payments due, the remaining monthly payments shall be paid to the beneficiary's estate.

- (d) The Employee's written request to receive an optional form of payment under paragraph (a) or paragraph (b) instead of an immediate lump sum must be filed with the Vice President – Human Resources of the Company before the Employee's date of retirement under the Pension Plan, provided that any such election filed on or after January 1, 2005 shall also comply with the requirements set forth in Section 4.9 below. The request shall be granted or denied in the sole discretion of the Vice President – Human Resources of the Company. If the Employee is the Vice President – Human Resources of the Company, the duties of the Vice President – Human Resources of the Company under this Section 4.2 shall be discharged by the President of the Company.

Any post-retirement increase in the benefits being paid to an Employee under the Pension Plan shall also be applied on a comparable basis to any monthly supplemental benefits under this Plan.

4.3. Time and Duration of Benefit Payments. Benefits due under this Plan as a result of an Employee's retirement shall be paid as of the Employee's date of retirement under the Pension Plan or as soon thereafter as may be reasonably practical (but in no event later than the end of the calendar year which includes the Employee's date of retirement, or, if later, the fifteenth day of the third calendar month after such date of retirement ), or to the extent the provisions of Section 4.9(b) below are applicable to the Employee, six months and one day after the Employee's date of retirement. All supplemental benefits payable under this Plan shall cease as of the first day of the month following the Employee's death, except that payments may continue to the Employee's spouse or beneficiary following his death pursuant to an optional form of payment selected under Section 4.2.

4.4. Benefits Unfunded. The benefits payable under the Plan shall be paid by the Company each year out of its general assets and shall not be funded in any manner. The obligations that the Company incurs under this Plan shall be subject to the claims of the Company's other creditors having priority as to the Company's assets.

4.5. No Right to Transfer Interest. The Plan Administrator may recognize the right of an alternate payee named in a domestic relations order to receive all or a portion of an Employee's benefit under this Plan, provided that (a) the domestic relations order would be a "qualified domestic relations order" within the meaning of Section 414(p) of the Code if Section 414(p) were applicable to the Plan; (b) the domestic relations order does not purport to give the alternate payee any right to assets of the Company or its affiliates; and (c) the domestic relations order does not purport to give the alternate payee any right to receive payments under the Plan before the Employee is eligible to receive such payments. If the domestic relations order purports to give the alternate payee a share of a benefit to which the Employee currently has a contingent or nonvested right, the alternate payee shall not be entitled to receive any payment from the Plan with respect to the benefit unless the Employee's right to the benefit becomes

nonforfeitable. Except as set forth in the preceding two sentences with respect to domestic relations orders, and except as required under applicable Federal, state or local laws concerning the withholding of tax, rights to benefits payable under the Plan are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, attachment or other legal process, or encumbrance of any kind. Any attempt to alienate, sell, transfer, assign, pledge, or otherwise encumber any such supplemental benefit, whether currently or thereafter payable, shall be void.

4.6. Successors to the Corporation. This Plan shall be binding upon and inure to the benefit of any successor or assign of the Company, including, without limitation, any corporation or corporations acquiring directly or indirectly all or substantially all of the assets of the Company whether by merger, consolidation, sale or otherwise (and such successor or assign shall thereafter be deemed embraced within the term “Company” for the purposes of this Plan). Notwithstanding the foregoing, the Plan will not be assumed by the Company for purposes of Section 365 of the Bankruptcy Code, 11 U.S.C. Section 365, or assumed by or maintained by any other employer which may become a successor to the Company pursuant to the terms of the Company’s Plan of Reorganization confirmed under Chapter 11 of the Bankruptcy Code.

4.7. Change in Control. Anything hereinabove in this Article IV or elsewhere in this Plan to the contrary notwithstanding:

- (a) Lump Sum Payment. Upon the occurrence of a Change in Control, (i) each Employee, (ii) each former Employee and (iii) each Employee’s spouse or beneficiary following his death who is receiving benefits under the Plan (each, a “Recipient”) shall receive, on account of future payments of any and all benefits due under the Plan, a Lump Sum Payment, so that each such Employee, former Employee or Recipient will receive substantially the same amount of after-tax income as before the Change of Control, determined as set forth in paragraph (c) of this Section 4.7, provided that, effective on and after January 1, 2005, such lump sum distribution shall be limited to the Grandfathered Benefit unless the Change in Control also qualifies as a Change in Control Event as provided in Section 4.9(c) below. Subject to Section 4.9(c) below, this Lump Sum Payment shall be made during the calendar year which includes the effective date of the Change in Control.
- (b) Certain matters following a lump sum payment. An Employee who has received a Lump Sum Payment pursuant to paragraph (a) of this Section 4.7 shall, thereafter (i) while in the employ of the Company, continue to accrue benefits under the Plan, and (ii) be eligible to be paid further benefits under the Plan, after appropriate reduction in respect of the Lump Sum Payment previously received. For purposes of calculating such reduction, the Lump Sum Payment shall be accumulated with interest at the Specified Rate in effect from time to time for the period of time from initial payment date to the next date on which a computation is to be made (i.e., upon Change in Control, retirement, or other termination of employment). It shall then be converted to a straight-life annuity using the current annuity certain factor. The current annuity certain factor will be determined on the Net Specified Rate basis if this benefit payment is being made

due to a subsequent Change in Control; otherwise, the Specified Rate shall be used.

- (c) Determination of lump sum payment. The Lump Sum Payment referred to in paragraph (a) of this Section 4.7 shall be determined by multiplying the annuity certain factor (for monthly payments at the beginning of each month) based on the Benefit Payment Period and the Net Specified Rate by the monthly benefit (adjusted for assumed future benefit adjustments due to Social Security and Code Section 415 changes in the Pension Plan) to be paid to the Employee or Recipient under the Plan. The date of the Change in Control shall be treated as the date of retirement for each Employee who would otherwise be eligible for retirement as of such date for purposes of calculating the Lump Sum Payment.

4.8. Taxation. Notwithstanding anything in the Plan to the contrary, if prior to January 1, 2005, the Internal Revenue Service determines that the Participant is subject to Federal income taxation on an amount in respect of any benefit provided by the Plan before the distribution of such amount to him, the Company shall forthwith pay to the Participant all (or the balance) of such amount as is includible in the Participant's Federal gross income and shall correspondingly reduce future payments, if any, of the benefit. Except as provided in Section 4.7 with respect to payments after a Change in Control, the Company shall not reimburse the Employee or any Recipient for any tax, interest, or penalty that the Employee or Recipient owes with respect to any payment from the Plan. Effective on and after January 1, 2005, this Section 4.8 shall only apply to Grandfathered Benefits accrued under this Plan as of December 31, 2004.

4.9 Additional Restrictions on Deferred Compensation. Effective on and after January 1, 2005, any payment of benefits under the Plan to an Employee (other than Grandfathered Benefits described in Subsection 4.9(e) below ) shall be subject to the additional restrictions imposed pursuant to Code Section 409A set forth in the following Subsections 4.9 (a), (b), (c) (d), and (e).

- (a) Restriction on In-Service Distributions. No benefits payable to an Employee under this Plan shall be distributed earlier than
- (i) the date of the Employee's separation from service with the Company [as this term may be defined in Section 409A(a)(2)(A)(i) of the Code and regulations promulgated thereunder],
  - (ii) the date the Employee becomes disabled,
  - (iii) the date of the Employee's death, or
  - (iv) a specified time (or pursuant to a fixed schedule) specified under the Plan (including pursuant to an election under Section 4.10 of the Plan); or
  - (v) a Change in Control, but only to the extent provided in Subsection 4.9(c) below and regulations under Section 409A of the Code.
- (b) Additional Restriction on Distributions to Specified Employees. Notwithstanding Section 4.2 above, on or after January 1, 2005, if at the time a benefit would otherwise be payable to an Employee under this Plan, the Employee is a

“Specified Employee” [as defined in Section 1.22 above], the distribution of the Employee’s benefit may not be made until six months after the date of the Employee’s separation from service with the Company [as that term may be defined in Section 409A(a)(2)(A)(i) of the Code and regulations promulgated thereunder], or, if earlier the date of death of the Employee. Any payments not made to the Employee during the six-month period shall be made to the Employee, along with interest at the rate credited under the Pension Plan for the same period, six months and one day after the date of the Employee’s separation from service with the Company (or as soon thereafter as may be reasonably practical). This Subsection 4.9(b) shall remain in effect only for periods in which the stock of the Company is publicly traded on an established securities market.

- (c) Payments on a Change of Control. If a Change in Control occurs on and after January 1, 2005, the immediate lump sum benefit payable to an Employee pursuant to Section 4.8 above shall be limited to the Employee’s Grandfathered Benefit (if any) except to the extent that such Change in Control also satisfies the requirements for a Change in Control Event, as described in Treasury Regulation Section 1.409A-3(i)(5), with respect to the Employee.
- (d) No Linkage to Benefit Elections under Qualified Plan. Notwithstanding any other provision of this Plan to the contrary, effective on and after January 1, 2008, the Employee may not elect to receive the benefits payable to the Employee under this Plan in any of the optional forms of benefit payment other than a lump sum payment, as provided for in Section 4.2. The Employee must file a separate election expressly stating his desire to receive the benefit under this Plan in such form, in the manner prescribed by Section 4.2 above. After December 31, 2007, the Plan Administrator shall disregard any Employee’s election to receive his benefits under this Plan in the same optional form of payment in which his benefits under the Pension Plan.
- (e) Restrictions on Subsequent Elections. Except as provided in Section 4.10 below, any request or election to change the form in which an Employee’s benefits under this Plan are distributed filed with the Company on or after January 1, 2005 shall be given effect only if it satisfies the following conditions:
  - (i) such request or election may not take effect until at least 12 months after the date on which the election is filed with the Company pursuant to Section 4.2 above; and
  - (ii) in the case of any request or election to change the timing of payment for a benefit from this Plan (other than a benefit payable as result of the Employee’s death), the first payment made pursuant to such an election may not be made prior to the end of the period of 5 years from the date such payment would otherwise have been made.

- (f) Grandfathered Benefits. The restrictions imposed by this Section 4.9 shall not apply to that portion, if any, of the benefits payable to an Employee who had a non-forfeitable right to receive benefits under this Plan by December 31, 2004 which does not exceed the Employee's Grandfathered Benefit; provided that effective on and after November 1, 2007, the Employee's entire benefit under the Plan (including his Grandfathered Benefit) shall be subject to this Section 4.9 if the Employee is eligible to file an election under Section 4.10 below.
- (g) Interpretation. This Section 4.9 has been adopted only in order to comply with the requirements added by Section 409A of the Code. This Section 4.9 shall be interpreted and administered in a manner consistent with the requirements of Code Section 409A, together with any regulations or other guidance which may be published by the Treasury Department or Internal Revenue Service interpreting such Section 409A. This Section 4.9 is not intended to restrict the operation of this Plan in any manner not necessary to avoid adverse tax consequences under such Section 409A of the Code.

4.10 Special One-Time Election to Receive Lump Sum Payouts Pursuant to Chapter 11 Plan. Notwithstanding anything else in this Plan to the contrary, any Employee who has an undistributed accrued benefit under this Plan as of November 1, 2007 and would not otherwise be entitled to receive a distribution under this Plan at any time in 2006 or in 2007, shall be entitled to elect, by filing a written election with the Vice President Human Resources of the Company before December 31, 2007, to receive a payment of his or her benefit under this Plan during 2008 (but not before the date on which the Chapter 11 Plan of Reorganization for the Company confirmed by the U.S. Bankruptcy Court takes effect) regardless of whether the Employee has terminated active employment with the Company prior to the date of payment. This payment shall be equal to the lesser of (i) the amount of the lump sum benefit calculated for the Employee under Section 4.1(a) of this Plan or (ii) the amount payable with respect to the Employee's claim for benefits under this Plan pursuant to the terms of the Company's Plan of Reorganization, and shall be paid in a lump sum payment (or series of lump sum payments to be completed during 2008) consisting of such payments of cash or stock as may be provided for similar unsecured claims in the terms of the Plan of Reorganization confirmed by the U.S. Bankruptcy Court. Pursuant to IRS Notice 2005-1 Q&A-19(c) and IRS Notice 2006-79, any such election by the Employee will not be treated as a change in the form and timing of a payment subject to the 4.9(e) of this Plan and Code Section 409A(a)(4), provided that, the Participant files the election no later than December 31, 2007. With respect to a new election to change the time and form of payment made on or after January 1, 2007 and on or before December 31, 2007, the new payment election shall apply only to amounts that would not otherwise be payable in 2007.

ARTICLE V  
AMENDMENT, TERMINATION AND INTERPRETATION

5.1. Amendment and Termination. The Company reserves the right, by action of the Board, to amend, modify or terminate, either retroactively or prospectively, any or all of the provisions of this Plan without the consent of any Employee or beneficiary; provided, however,

that no such action on its part shall adversely affect the rights of an Employee and his beneficiaries without the consent of such Employee (or his beneficiaries, if the Employee is deceased) with respect to any benefits accrued prior to the date of such amendment, modification, or termination of the Plan if the Employee has at that time a non-forfeitable right to benefits under a funded, defined benefit pension plan sponsored by the Company.

Notwithstanding the foregoing, effective on and after January 1, 2005, no payment of benefits under this Plan (other than Grandfathered Benefits) to any Employee or beneficiary shall be accelerated as the result of any termination or amendment of the Plan except to the extent that (a) the Plan is being terminated with the explicit approval of a U.S. bankruptcy court pursuant to Section 503(b)(1)(A) of the U.S. Bankruptcy Code, (b) the Company is terminating the Plan as a result of a Change in Control Event (as defined in Section 4.10 above) within the period beginning 30 days prior to and ending 12 months after the effective date of the Change in Control Event, or (c) such accelerated payment may otherwise be permitted under Treasury Regulation Section 1.409A-3(j)(5).

5.2. Interpretation. The Plan Administrator shall have the discretionary authority to interpret the Plan and to decide any and all matters arising hereunder; including but not limited to the right to remedy possible ambiguities, inconsistencies or omissions by general rule or particular decision. In addition, any interpretations and decisions made by the Plan Administrator shall be final, conclusive and binding upon the persons who have or who claim to have any interest in or under the Plan.

5.3 Impact of Bankruptcy Reorganization. Effective on and after March 3, 2006, no benefits shall be paid to any Employee under this Plan except to the extent that payment of such benefit (a) has been expressly approved by the U.S. Bankruptcy Court or (b) is permitted by the terms of the Company's Plan of Reorganization. To the extent an Employee would otherwise have been entitled to receive a benefit payment under this Plan during 2006 or 2007, but the Company was not able to complete such payment by reason of the restrictions on payment of unsecured claims imposed on the Company as a result of its bankruptcy filing, the Employee shall be entitled to receive a payment from the Company in settlement of any and all claims the Employee may have with respect to such benefit, at the time and in the manner prescribed by the terms of the Plan of Reorganization confirmed by the U.S. Bankruptcy Court.

**IN WITNESS WHEREOF**, Dana Corporation has executed this amended and restated Plan as of this 13<sup>th</sup> day of November, 2007.

**DANA CORPORATION**

By: /s/ R B Priory

/s/ V P Boyd

Witness

## DANA CORPORATION SUPPLEMENTAL BENEFITS PLAN

### APPENDIX A

A.1 Purpose. The purpose of this Appendix A is to provide supplemental benefits to certain individuals who are not otherwise eligible for benefits under the Plan. Except to the extent that a contrary rule is expressly set forth below, capitalized terms used in Appendix A shall have the meaning set forth in Article I of the Plan, and the benefits provided under Appendix A shall be subject to the administrative provisions set forth in Sections 4.2 through 4.10 of Article IV and Sections 5.1 through 5.3 of Article V (construed as if the term "Employee" in those sections referred to an individual who is eligible for a benefit under this Appendix A).

A.2 Eligibility. An individual is eligible for a supplemental retirement benefit under this Appendix A if the individual meets all of the following criteria on the date of his retirement from the Company and its affiliates (or if he meets the criteria in paragraphs (a) through (c) on the date of a Change in Control, if earlier):

- (a) The individual is not eligible for a supplemental retirement benefit under any provision of the Plan other than this Appendix A.
- (b) The individual has reached his 50th birthday and has completed at least 10 years of Vesting Service; and the sum of the individual's age and years of Vesting Service, both calculated to the nearest month, equals 70 or more.
- (c) The individual is a U.S.-based member of the "A" Group or the "B" Group (as defined by the Compensation Committee of the Board), who participated in the Retirement Income Plan as of June 30, 1988, and who is a management employee or a highly-compensated employee.
- (d) The individual retires on or after January 1, 1996 and before January 1, 2010.

A.3. Amount of Benefit. The amount of an individual's supplemental retirement benefit under Appendix A shall be the initial benefit determined under paragraph (a), multiplied by the percentage specified in paragraph (b), and reduced as provided in paragraph (c).

- (a) The individual's initial benefit shall be the normal retirement benefit or early retirement benefit that the individual would have received under the Retirement Income Plan if the provisions of that Plan had remained in effect through the individual's retirement date, with the modification described in the following sentence. For purposes of applying the Retirement Income Plan formula, the individual's "Final Monthly Earnings" shall be the average of his Earnings during the five consecutive calendar years out of the last ten years of his active employment with the Company in which the average was the highest.



- (b) The percentage applied to the individual's initial benefit shall be determined according to the calendar year in which the individual retires, as follows:

| Year in Which Individual Retires | Applicable Percentage |
|----------------------------------|-----------------------|
| 1996 – 1999                      | 90%                   |
| 2000 – 2004                      | 80%                   |
| 2005 – 2009                      | 70%                   |
| After 2009                       | 0%                    |

- (c) The benefit determined under this Section A.3 shall be calculated as a single-life annuity, and shall be reduced by the sum of the monthly benefits that the individual is entitled to receive from any source listed in subparagraphs (i), (ii), or (iii), below, determined in each case on the basis of the assumption that the individual's benefits under such sources are paid in the form of a single-life annuity for the life of the individual, commencing as of the individual's date of retirement under the Pension Plan:
- (i) all funded defined benefit pension plans sponsored by the Company and its affiliates; and
  - (ii) all unfunded, nonqualified deferred compensation plans sponsored by the Company and its affiliates (including, but not limited to, the Excess Plan), with the sole exception of the Dana Corporation Additional Compensation Plan; and
  - (iii) any supplemental retirement benefit provided under an employment contract, or under any other contract or agreement, between the individual and the Company or any affiliate.
- (d) Effective on and after November 1, 2007, no benefit payable to any participating Employee under this Appendix and no death benefit payable with respect to any such participating Employee shall exceed the amount of the benefit which would have been payable to the Employee under the terms of this Appendix A of this Plan, had the Employee retired on October 31, 2007.

**A.4 Form of Payment.**

- (a) An individual shall be entitled to receive his benefit under this Appendix A in the manner provided in Section 4.2 of the Plan., as modified by Section 4.9 for benefits commencing on or after January 1, 2005 and Section 4.10. If the individual elects to receive a lump sum payment, however, the lump sum payment shall be calculated as provided in paragraph (b), below, rather than as provided in Section 4.2 of the Plan.
- (b) The single-life annuity determined under paragraphs (a) and (b) of Section A.3 shall be converted to a lump sum present value on the basis of the "applicable

interest rate” (as in effect for the November preceding the calendar year in which the calculation is made) and the “applicable mortality table”, both as defined in Section 417(e) of the Code. The lump sum determined under the preceding sentence of this Section A.4 shall be reduced by the lump sum present value of all benefits that the individual is entitled to receive from all sources described in paragraph (c) of Section A.3, determined in each case on the basis of the interest rate and mortality assumptions required for lump sum calculations by the terms of those plans or agreements (or, if no such interest rates or mortality assumptions are specified in the plan or agreement, on the basis of the interest rate and mortality assumptions set forth in the first sentence of this paragraph (b)).

- (c) An individual who has an undistributed benefit under this Appendix A as of November 1, 2007, and would not otherwise be entitled to receive a distribution at any time in 2006 or 2007 shall be entitled to elect no later than December 31, 2007 to receive a lump sum distribution and the terms and conditions described in Section 4.10 of the Plan.

A.5 Pre-retirement Death Benefit. Effective March 1, 1998, if an individual dies before his benefit under this Appendix A commences or is paid, the individual’s surviving spouse (if any) shall be entitled to receive a lump-sum benefit equal to 100% of the benefit to which the individual would have been entitled under paragraph A.3, above, subject to the reductions described in paragraph A.3(c), as if the individual had retired on the date of his death.

A.6 Key Local and Third Country Nationals. The provisions of this Section A.6 shall apply solely to individuals named in the Key Local and Third Country National listing in Appendix F of the Dana Corporation Retirement Plan. If such an individual was a member of the “A” Group or the “B” Group on January 1, 2002, and meets all of the eligibility criteria of Section A.2 above except (i) the requirement that the individual be U.S.-based, and (ii) the requirement that the individual have been a participant in the Retirement Income Plan before July 1, 1988, such individual shall nonetheless be eligible for benefits under this Appendix A. The amount of the individual’s benefit shall be determined in accordance with Sections A.3 and A.4, taking into account the individual’s Earnings, Credited Service, and Vesting Service determined under Appendix F of the Dana Corporation Retirement Plan. In addition to the benefit offsets listed in Section A.3(c), the individual’s benefit under the Plan shall be reduced by the actuarial value (as determined by the Company’s actuary) of the following benefits:

- (a) the benefit earned under any non-U.S. defined benefit, defined contribution, or individual account retirement plan to the extent that benefit was funded by contributions of Dana Corporation or any of its subsidiaries or affiliates (or, in the case of a non-U.S. plan that is unfunded, to the extent that benefit will be paid by Dana Corporation or any of its subsidiaries or affiliates); and

(b) the benefit earned under any non-U.S. retirement program sponsored by a local government, if (i) the government program is the predominant source of retirement benefits in that locality, and (ii) the individual did not earn a retirement benefit under a private retirement plan maintained in the same locality by Dana Corporation or any of its subsidiaries or affiliates.

**DANA CORPORATION ADDITIONAL COMPENSATION PLAN,  
AS AMENDED AND RESTATED**

**1. Purpose of the Plan.** The Dana Corporation Additional Compensation Plan, as amended and restated, is designed to increase the earnings of the Corporation by providing additional incentive for selected employees in managerial or other key positions, who, individually or as members of a group, contribute in a substantial degree to the success of the Corporation, and who are in a position to have a direct and significant impact on the growth and success of the Corporation. The purpose of the Plan is also to enable the Corporation to attract and retain such key employees.

This Plan is further amended and restated effective as of November 1, 2007 to allow participating employees to make an election to receive a lump sum benefit during calendar year 2008, and as of January 1, 2005 in order to comply with the requirements imposed on deferred compensation plans by Section 409A of the Code, as added by the American Jobs Creation Act of 2004. However, the new restrictions set forth in Section 18 below in order to comply with Code Section 409A shall not be applicable to any Grandfathered Benefit accrued under this Plan by December 31, 2004, and such Section 18 shall not be applicable to any Employee whose entire benefit under this Plan consists of a Grandfathered Benefit. By amending and restating this Plan, the Company does not intend to assume this Plan for purposes of Section 365 of the Bankruptcy Code, 11 USC Section 365.

**2. Administration of the Plan.** The Plan shall be administered by the Committee. The Committee shall have the power to interpret the Plan and to decide any and all matters arising hereunder, including but not limited to the right to remedy possible ambiguities, inconsistencies or omissions by general rule or particular decision. In addition, any interpretations and decisions made by the Committee shall be final, conclusive and binding upon persons who have or who claim to have any interest in or under the Plan. The Committee shall have the exclusive power to select the employees to be granted awards under this Plan, to determine the amount of any such award granted to each employee selected, and to determine the time, or times, and conditions subject to which any awards may become payable, including prorated awards for service which commences subsequent to or terminates prior to the end of any one-year performance period. The Committee from time to time may adopt, amend, modify, suspend or terminate rules, regulations, policies and practices in connection with its administration of the Plan.

**3. Certain Definitions.** The following terms shall have the meanings set forth below:

A. "Accounts" shall mean a participant's Stock Account and Interest Equivalent Account.

B. "Board" shall mean the Board of Directors of the Corporation.

C. "Change in Control of the Corporation" shall mean the first to occur of any of the following events:

(i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 20% or more of the combined voting power of the Corporation's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with any acquisition by any corporation pursuant to a transaction that complies with clauses (A), (B) and (C) of paragraph (iii) below; or

(ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on December 8, 2003, constitute the Board of Directors of the Corporation (the "Incumbent Board") and any new director whose appointment or election by the Board of Directors of the Corporation or nomination for election by the Corporation's shareholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on December 8, 2003 or whose appointment, election or nomination for election was previously so approved or recommended. For purposes of the preceding sentence, any director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Corporation, shall not be treated as a member of the Incumbent Board; or

(iii) there is consummated a merger, reorganization, statutory share exchange or consolidation or similar corporate transaction involving the Corporation or any direct or indirect subsidiary of the Corporation, a sale or other disposition of all or substantially all of the assets of the Corporation, or the acquisition of assets or stock of another entity by the Corporation or any of its subsidiaries (each a "Business Combination"), in each case unless, immediately following such Business Combination, (A) the voting securities of the Corporation outstanding immediately prior to such Business Combination (the "Prior Voting Securities") continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity of the Business Combination or any parent thereof) at least 50% of the combined voting power of the securities of the Corporation or such surviving entity or parent thereof outstanding immediately after such Business Combination, (B) no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation or the surviving entity of the Business Combination or any parent thereof (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 20% or more of the combined voting power of the securities of the Corporation or surviving entity of the Business Combination or the parent thereof, except to the extent that such ownership existed immediately prior to the Business Combination and (C) at least a majority of the members of the board of directors of the Corporation or the surviving entity of the Business Combination or any parent thereof were members of the Incumbent Board at the time of the

execution of the initial agreement or of the action of the Board providing for such Business Combination; or

(iv) the shareholders of the Corporation approve a plan of complete liquidation or dissolution of the Corporation.

Notwithstanding the foregoing, any disposition of all or substantially all of the assets of the Corporation pursuant to a spinoff, splitup or similar transaction (a "Spinoff") shall not be treated as a Change in Control of the Corporation if, immediately following the Spinoff, holders of the Prior Voting Securities immediately prior to the Spinoff continue to beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding securities of both entities resulting from such transaction, in substantially the same proportions as their ownership, immediately prior to such transaction, of the Prior Voting Securities; provided, that if another Business Combination involving the Corporation occurs in connection with or following a Spinoff, such Business Combination shall be analyzed separately for purposes of determining whether a Change in Control of the Corporation has occurred.

"Affiliate" shall mean a corporation or entity which is not a Subsidiary and which directly, or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, the Corporation. For the purposes of this definition, the terms "control," "controls" and "controlled" mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a corporation or other entity, whether through the ownership of voting securities, by contract, or otherwise.

"Beneficial Owner" shall have the meaning set forth in Rule 13d-3 under the Exchange Act.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

"Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Corporation or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities or (iv) a corporation owned, directly or indirectly, by the shareholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation.

"Subsidiary" shall mean a corporation or other entity, of which 50% or more of the voting securities or other equity interests is owned directly, or indirectly through one or more intermediaries, by the Corporation.

D. "Code" shall mean the Internal Revenue Code of 1986, as amended.

E. "Committee" shall mean the Compensation Committee (or a subcommittee thereof) of the Board, all of whose members shall be "outside directors" within the contemplation of Section 162(m)(4)(C)(i) of the Code.

F. "Corporation" shall mean Dana Corporation.

G. "Grandfathered Benefit" means that portion of an Employee's Deferred Compensation Account under this Plan which had already been accrued by December 31, 2004 and was fully vested and not subject to a substantial risk of forfeiture on that date.

H. "Plan" shall mean the Dana Corporation Additional Compensation Plan, as amended from time to time.

I. "Retirement" shall mean the retirement of a participant pursuant to the terms of the Dana Corporation Retirement Plan or any successor tax-qualified retirement plan of the Corporation in which the participant participates.

J. "Specified Employee" means any Employee of the Company who has been determined to be a "key employee" of the Company, within the meaning of Code section 416(i) (without regard to paragraph (5) thereof) as of the preceding specified employee identification date, pursuant to the Company's Policy on Identifying Specified Employees adopted by the Compensation Committee of the Company's Board, as such Policy may be amended from time to time.

K. "Stock" shall mean the common stock, par value \$1 per share, of the Corporation.

L. "Unit" shall mean a bookkeeping unit equivalent to one share of Stock on any given date having the value established pursuant to the provisions of Section 6.

M. "Year" shall mean the fiscal year of the Corporation.

**4. Participation.** The Committee shall, not later than the 90th day of each Year, approve a list of key employees of the Corporation, its subsidiaries and its affiliates, who may participate in the additional compensation provided under the Plan for such Year. This list shall be known as the Corporate Award List. In addition, the Committee shall place each participant on the Corporate Award List into one of the following categories: Short-Term Award Corporate Group (which may be further divided into an A Group and a B Group), Short-Term Award General Managers Group, or Special Situation Awards. These designations shall be made at the Committee's sole discretion, based on its determination of which individuals are in the best position to fulfill the growth and profitability objectives of the Corporation. Individuals selected for the Corporate Award List shall be notified of their eligibility and their category designation.

Upon the occurrence of a Change in Control of the Corporation prior to January 1, 2006, all eligible participants who are named on the Corporate Award List as of the date of the Change in Control of the Corporation and who are employed by the Corporation or one of its subsidiaries as of such date shall be entitled to receive a lump sum annual bonus payment as soon as practicable following the Change in Control of the Corporation equal to the product of (i) the greater of (x) the eligible participant's award level for the Year as established by the Committee pursuant to Section 5A. of the Plan and (y) the eligible participant's Short-Term Award calculated based on actual performance through the date of the Change in Control of the Corporation (with performance targets pro-rated for such period) and (ii) a fraction, the numerator of which is the number of days in the Year prior to the date of the Change in Control of the Corporation and the denominator of which is 365.

During the portion of any Year in which a Change in Control of the Corporation occurs that follows the date of such Change in Control of the Corporation, eligible participants who are named on the Corporate Award List as of the date of the Change in Control of the Corporation and who continue to be employed by the Company or its subsidiaries shall be entitled to award levels, performance targets and bonus opportunities which would provide them for the Year in which the Change in Control of the Corporation occurs with aggregate award levels and performance targets that are no less favorable than those initially in effect for the Year in which the Change in Control of the Corporation occurs (taking into account the payment made under the immediately preceding paragraph).

Notwithstanding anything in this Section 4 or Section 5 to the contrary, for Years beginning on and after January 1, 2006, no further awards (either Short-Term Awards or Special Situation Awards) shall be made to participants under this Plan, and annual incentive awards for such Years shall instead be payable to participants only under the terms of the Dana Corporation Annual Incentive Plan.

#### **5. Short-Term and Special Situation Awards.**

A. *Types of Awards.* The amounts of awards to eligible participants shall be determined by the Committee acting in its sole discretion. The Committee shall have the discretion to make two types of awards to eligible participants under the Plan.

(i) *Short-Term Awards.* Short-Term Awards shall be based on the achievement by the Corporation or its operating units of short-term business performance goals established by the Committee for this purpose with respect to a particular Year. The Committee shall have the discretion to establish different performance goals and target performance levels for the Corporate Group, for the A and B Groups within the Corporate Group, and for the General Managers Group. The performance goals may be based upon the attainment of specified levels of performance by the Corporation or its operating units under one or more of the business criteria described in Section 5C on an absolute basis or relative to the performance of other corporations.



The Committee shall also have the discretion to provide that a portion of the Short-Term Award be based upon individual performance goals that are, for any Covered Employee (as defined in Section 5C), established by the Committee, and for other participants on the Corporate Award List, either established by the Committee or mutually established by the participant and his supervisor. The Committee shall have the discretion to utilize more than one business criteria in a particular Year and to base Short-Term Awards on the maintenance of, attainment of, growth in or limitation of loss in any particular business criteria.

(ii) *Special Situation Awards.* The Committee shall also have the authority to make Special Situation Awards of additional compensation, in recognition of special or unusual circumstances. Special Situation Awards shall be granted to such persons, in such amounts, and based on such performance goals and business criteria as the Committee, in its sole discretion, may determine.

B. *General Provisions.* The Committee may also establish for each Short-Term and Special Situation Award, a target performance level at which a designated award would be earned and a range within which greater and lesser percentages of the award would be earned (including a maximum and minimum percentage, which need not be the same for the Short-Term and Special Situation Awards or for the Corporate Group, for the A and B Groups within the Corporate Group, or for the General Managers Group).

The performance objectives and target performance levels or ranges for the respective Short-Term and Special Situation Awards under the Plan shall be contained in the minutes of the Committee.

Subject to the limitations of the Section 5C, the Committee shall have the sole discretion to increase or decrease an individual participant's Short-Term or Special Situation Award by a maximum of 20% of the award, in its consideration of individual performance.

Short-Term and Special Situation Awards shall be payable in accordance with Section 6, subject to any deferral elections made by participants in accordance with Section 6. Notwithstanding the foregoing, effective as of January 1, 2005, no participant shall be eligible to make deferral elections with respect to any Short-Term Award or Special Situation Award under the Plan and all such awards shall be payable to the participant in cash on or before February 28 of the Year following the Year in respect of which they are earned.

To the extent not inconsistent with the requirements of Section 162(m) of the Code, the Committee may adjust, modify or amend the above business criteria, either in establishing any performance goal or in determining the extent to which any performance goal has been achieved. Without limiting the generality of the foregoing, the Committee shall have the authority to make equitable adjustments in the business criteria in recognition of unusual or non-recurring events affecting the Corporation or its operating units, in response to changes in applicable laws or regulations, or to account for items of gain, loss or expense determined to be extraordinary or unusual in nature or infrequent in occurrence or related to the disposal of a segment of a business or related to a change in accounting principles, or as the Committee determines to be appropriate to reflect a true measurement of the profitability of the Corporation or its operating units, as applicable, and to otherwise satisfy the objectives of this Plan.

C. *Special Provisions for Covered Employees.* Notwithstanding anything to the contrary contained in this Section 5, (i) the performance goals (including any individual performance goals) in respect of an award granted pursuant to this Section 5 to any person on the Corporate Award List who the Committee reasonably believes is likely to be a “covered employee” within the meaning of Section 162(m)(3) of the Code for the particular year (“Covered Employee”), shall be based on one or more of the following business criteria, selected by the Committee (in each case, when applicable, as determined in accordance with U.S. generally accepted accounting principles, except to the extent that the Committee, in its discretion, determines otherwise at the time it establishes the performance goals for the Year): earnings per share; stock price appreciation; net income; earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; revenues; market share; cost reduction goals; return on equity; return on invested capital; return on assets; total share return; return on sales; gross margin; operating income; cash flow; debt reduction; working capital; new product launches; completion of joint ventures, divestitures, acquisitions or other corporate transactions; new business or expansion of customers or clients; productivity improvement; asset utilization; disclosure controls and procedures; and internal controls over financial reporting; (ii) in no event shall payment in respect of an award or awards be made to a Covered Employee in an amount that exceeds \$3,000,000 for any Year; (iii) no award shall be paid to a Covered Employee prior to the certification in writing by the Committee to the Board that the performance goals established with respect to the award and any other material terms of the award have been satisfied; and (iv) no discretionary upward adjustment or Special Situation Award shall be made with respect to a Covered Employee. **6. Establishment of Deferred Compensation Accounts.** Each participant may elect to defer any portion (or all) of a Short-Term Award or Special Situation Award that he is entitled to receive by filing a written election with the Corporation prior to January 1 of each Year with respect to which deferrals are to be made. This deferral election shall be irrevocable, unless the participant experiences a Severe Financial Emergency, as described in Section 13, and the Committee, in its sole discretion, approves a change in the participant’s deferral election. If the participant fails to make a timely election, the award earned by the participant shall be paid in cash without deferral.

At the time a participant elects to defer such awards, he shall also designate whether such deferred awards are to be credited to a Stock Account (as described in Section 6A), to an Interest Equivalent Account (as described in Section 6B), or to a combination of both Accounts. An election to have deferred awards credited to a Stock Account and/or to an Interest Equivalent Account for the initial Year for which an election is made shall continue in effect for subsequent deferrals, until modified by a subsequent written election received by the Corporation on or before January 1 of the Year with respect to which such subsequent deferral is to be made. Notwithstanding the foregoing, effective as of January 1, 2005, no deferral elections shall be permitted under the Plan and the Committee shall have no discretion to approve changes to any participant's prior deferral election as a result of a Severe Financial Emergency as described in the first paragraph of this Section 6

A. *Stock Account.* The Corporation shall establish a Stock Account on its books for each participant who elects to have all or a portion of his deferred award credited to such Stock Account. There shall be credited to such participant's Stock Account a number of Units equal to the maximum number of whole shares of Stock which could have been purchased with the amount of the award so deferred, assuming a purchase price per share equal to the average of the last reported daily sales prices for shares of such Stock on the NYSE Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time) on each trading day during the preceding month of January. Any portion of such deferred award which is not credited to the Stock Account of any participant as whole Units shall be accrued as a dollar balance in such Account. Any accrued dollar balance in a participant's Stock Account (including cash credited by reason of the payment of cash dividends as described in the next paragraph) shall be converted as of March 15, June 15, September 15 and December 15 into a number of Units equal to the maximum number of whole shares of Stock which could be purchased with such accumulated balance, and the dollar amount then credited to such Account shall be appropriately reduced. For purposes of the preceding sentence, shares of Stock shall have a value equal to the average of the last reported daily sales prices for shares of such Stock on the NYSE Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time) on each trading day during the calendar month preceding the month in which the conversion is made.

When cash dividends are declared and paid with respect to the Stock, the Stock Account of each participant shall be credited as of the dividend payment date with an amount equal to the cash which would have been paid if each Unit in such Account, as of the dividend record date, had been one share of Stock outstanding on such date.

If the Corporation increases or decreases the number of shares of its outstanding Stock as a result of a stock dividend, stock split or stock combination, or if, as a result of any other event or transaction, the Committee determines that it is equitable to do so, a corresponding proportionate adjustment shall be made in the number of Units then credited to each participant's Stock Account.

In the event of a distribution of, or with respect to, the Stock payable in securities (of the Corporation or of any other issuer) or in property other than securities (which may consist partly of cash), or a reclassification of or recapitalization affecting the Stock, then, on the effective date of such distribution, reclassification or recapitalization, the Units then credited to the Stock Account of each participant shall be changed into a number of Units equal to the number of whole shares of Stock, if any, which would have resulted from such distribution, reclassification or recapitalization, and the dollar amount then credited to such Stock Account shall be increased by the value, if any, computed as provided below, of any securities and/or other property and/or cash which would have been distributed or paid, as if each Unit in such Account, as of such effective date or any applicable record date relating thereto, had been one share of Stock. The value of the securities and/or other property, for purposes of the foregoing, shall be determined as of the effective date of such distribution, reclassification or recapitalization on the basis of the reported sale prices or bid and asked prices of any such securities for which a trading market (on a current or when-issued or when-distributed basis) exists, or on any other basis reasonably adopted by the Committee with respect to any other such securities and/or property, in each case as determined in good faith by the Committee.

Each participant may convert, in any percentage increment or dollar amount, any and all of the Units credited to his Stock Account into an equivalent dollar balance in his Interest Equivalent Account. These election(s) can be made at any time within the five-year period following the participant's Retirement or termination of service, and shall be effective on the day the election is received by the Corporation. Any election made under this paragraph shall be given in writing to the Chief Financial Officer of the Corporation. For valuation purposes, each Unit so converted shall have a deemed value equal to the average of the last reported daily sales prices for shares of the Corporation's Stock on the NYSE Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time) on each trading day during the last full calendar month preceding the effective date of conversion, and the Units credited to such Stock Account shall be reduced by the number of Units so converted.

In the event a participant dies prior to the latest date on which he could have made an election to convert Units into Interest Equivalent amounts, as provided above, without having made such an election, his designated beneficiary or estate, as the case may be, shall be permitted to make one election within the same period during which the election would have been available to the participant had he lived. Units which the designated beneficiary or estate elect to convert shall be valued according to the formula described in this Section 6A.

B. *Interest Equivalent Account.* The Corporation shall establish an Interest Equivalent Account on its books for each participant who elects to have all or a portion of his deferred award (or his Units pursuant to Section 6A) credited to such Interest Equivalent Account. Notwithstanding anything else in this Section 6B to the contrary,

a participant may elect to credit up to 100% of the amount of any deferred award to his Interest Equivalent Account, provided that the participant has met or exceeded his Stock ownership target, if any, as established by the Committee. If the participant has not met his Stock ownership target, the participant may only elect to credit up to 50% of the amount of his deferred award to an Interest Equivalent Account.

Any accrued dollar balance in such Account shall be credited four times each Year, effective March 31, June 30, September 30 and December 31, with amounts equivalent to interest. Amounts credited to a participant's Interest Equivalent Account, including amounts equivalent to interest, shall continue to accrue amounts equivalent to interest until distributed in accordance with Section 7. The rate of interest credited to funds allocated to a participant's Interest Equivalent Account during any given Year shall be the quoted and published interest rate for prime commercial loans by JP Morgan Chase Bank, or its successor, on the last business day of the immediately preceding Year.

C. *Cash Payment.* That portion, if any, of the amounts of any Short-Term Award or Special Situation Award that a participant has elected not to defer under Section 6A or 6B, shall be paid to the participant in cash on or before February 28 of the Year following the Year in respect of which such awards are made.

In the event of a Change in Control of the Corporation, the value of each participant's Stock Account shall be deemed to be equal to the dollar amount then credited to that Account, plus the value of the Units therein as provided below, and the value of his Interest Equivalent Account shall be deemed to be equal to the dollar amount then credited to that Account. For purposes of the foregoing, the value of the Units credited to a participant's Stock Account shall be deemed to be the higher of (a) the average of the reported closing prices of the Stock, as reported on the NYSE Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time), for the last trading day prior to the effective date of such Change in Control of the Corporation, and for the last trading day of each of the two preceding thirty-day periods, and (b) an amount equal to the highest per share consideration paid for the Stock acquired in the transaction constituting the Change in Control of the Corporation. Anything in this Section 6 or elsewhere in this Plan to the contrary notwithstanding, in the event of a Change in Control of the Corporation, there shall promptly be paid to each participant, who had deferred awards under the Plan, a lump sum cash amount equal to the full balance then standing to his credit in his Stock Account and in his Interest Equivalent Account; provided that, effective on and after January 1, 2005, such lump sum distribution shall be limited to the Grandfathered Benefit unless the Change in Control also qualifies as a Change in Control Event as provided in Section 18C below. For purposes of the prior sentence, the value of each participant's Stock Account and Interest Equivalent Account shall be determined in the manner set forth above in this paragraph.

No interest in any undistributed Stock Account or Interest Equivalent Account amount shall be transferable or assignable by any participant, and any purported transfer or assignment of any such interest, and any purported garnishment or attachment, lien on

or pledge of any such interest, made or created by any participant, shall be void and of no force or effect as against the Corporation. Any payment due under this Plan shall not in any manner be subject to the debts or liabilities of any participant or beneficiary. Units credited to Stock Accounts are equivalent to shares of the Stock for bookkeeping purposes only, and have no voting rights, and shall not be converted to, or considered to be, actual shares of Stock for any reason.

No person shall, by virtue of his participation in this Plan, have or acquire any interest whatsoever in any property or assets of the Corporation or in any share of Stock, or have or acquire any rights whatsoever as a shareholder of the Corporation. The Plan at all times shall be entirely unfunded and no provision shall at any time be made with respect to segregating any assets of the Corporation for payment of any distributions hereunder. The right of a participant (or his designated beneficiary or estate) to receive a distribution hereunder shall be an unsecured claim against the general assets of the Corporation, and neither the participant nor his beneficiary or estate shall have any rights in or against any specific assets of the Corporation.

Upon a participant's death, termination of employment, or Retirement, amounts held in his Accounts shall be distributed in accordance with the provisions of Section 7.

**7. Distributions to Participants.** Effective January 1, 2004, under procedures prescribed by the Committee, and for distributions made on or after November 1, 2007, subject to the additional terms and conditions set forth in Sections 17 and 18 below, a participant shall elect to receive payments of any deferred awards pursuant to a distribution schedule specifying:

- (i) that distributions be made to the participant out of his Accounts in a specified number of annual installments (not exceeding 15), with the first distribution to be made either (a) in the month following Retirement or termination of employment (other than by reason of death or voluntary termination of employment prior to Retirement, which in each case shall be treated in accordance with the provisions of the third and fourth paragraphs of this Section 7) or (b) in January of the first, second or third year following Retirement or such termination of employment (all subsequent distributions shall be made in January), provided that for distributions to be made on or after January 1, 2005, if the participant is a Specified Employee, the distribution of that portion (if any) of the participant's Accounts which exceeds the participant's Grandfathered Benefit shall not be paid until at least 6 months after the date of the participant's separation from employment with the Corporation, as provided in Section 18B below; and
- (ii) the proportion which each such installment shall bear to the dollar amount or Units credited to his Accounts at the time of distribution of such installment (subject to adjustment to the next higher whole Unit in the case of distributions from the Stock Account).

If a participant has failed to file an election specifying any other distribution schedule, the distribution shall be paid in a cash lump sum. Short-Term and Special Situation Awards which are made to participants after their Retirement or such termination of employment shall be paid in an immediate cash lump sum.

Except as otherwise provided in this Plan, each distribution in respect of a participant's Accounts shall be made, in whole or in part, at the election of the participant, in shares of Stock, in cash, or in a combination of Stock and cash. Subject to the last sentence of this paragraph, to the extent that payment is to be made in Stock, the number of shares of such Stock to be distributed in respect of the participant's Interest Equivalent Account shall equal the maximum number of whole shares of Stock which could have been purchased with the Interest Equivalent Account amount being distributed, assuming a purchase price per share of Stock equal to the average of the last reported daily sales prices for shares of such Stock on the NYSE Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time) on each trading day during the calendar month preceding the month of making such payment. Any distribution in respect of Units from a participant's Stock Account shall be made on the basis of one share of Stock for each Unit being distributed. Any dollar balance in a participant's Stock Account at the time of each distribution shall be carried forward until the final distribution. In the event that a participant has not filed a distribution election as of the time of distribution or the Committee determines in its discretion that a participant's election is invalid for any reason, the distribution of the participant's Stock Account and Interest Equivalent Account shall be made solely in cash. The value of each Unit in respect of which a distribution is made shall be determined in accordance with this Section 7.

In the event that a participant's employment with the Corporation is either voluntarily or involuntarily terminated prior to Retirement, the entire balance credited to his Accounts shall be distributed to the participant or his designated beneficiary in an immediate cash lump sum, provided that for distributions to be made on or after January 1, 2005, if the participant is a Specified Employee, the distribution of that portion (if any) of the participant's Accounts which exceeds the participant's Grandfathered Benefit shall not be paid until at least 6 months after the date of the participant's separation from employment with the Corporation, as provided in Section 18B below. The value of each Unit in respect of which a distribution is made shall be determined in accordance with this Section 7.

In the event of the death of a participant either during his employment with the Corporation or after Retirement, the amount then credited to his Accounts shall be paid in an immediate cash lump sum to the participant's designated beneficiary, or to the participant's estate in the event that the designated beneficiary fails to survive the participant or there is no designated beneficiary.

If any distribution in respect of a participant's Accounts is to be made in cash, the value of each Unit being distributed from his Stock Account shall be assumed, for

purposes of such distribution, to be equal to the average of the last reported daily sales prices for shares of the Stock on the NYSE Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time) on each trading day during the calendar month preceding the month of making such distribution. A cash distribution may also be made from a participant's Interest Equivalent Account, in which case a corresponding reduction in the balance of that Account shall be made.

If any distribution is made in shares of Stock, the Corporation shall take all necessary action to comply with or secure an exemption from the registration requirements of the Securities Act of 1933, and the listing requirements of the New York Stock Exchange and any other securities exchange on which the Stock may then be listed; provided that the Corporation may (i) delay the making of any such distribution in shares of its Stock for such period as it may deem necessary or advisable to effect compliance with the requirements above referred to, and (ii) require, as a condition precedent to the delivery of the certificate(s) representing such shares, that any recipient thereof execute and deliver such representations, agreements and/or covenants in favor of the Corporation with respect to the holding and/or disposition of such shares, and such consent to the mechanics for enforcement of such representations, agreements and/or covenants, as the Committee may deem necessary or advisable in order to comply with or obtain exemption from any of the requirements above referred to.

All distributions under the Plan shall be made to the participant, except that in the event of the death of a participant, distributions shall be made to such person or persons as the participant shall have designated by written notice to the Committee prior to his death. In the event the designated beneficiary fails to survive the participant, or if the participant fails to designate a beneficiary in writing, the Committee shall distribute the balance in the participant's Accounts to the estate of such deceased participant.

The Corporation shall have the right to deduct from any deferral to be made or any distribution to be paid under the Plan any federal, state or local income and employment taxes that it is required by law to withhold.

Nothing contained in the Plan nor any action taken by the Corporation or by the Committee in connection with the Plan, shall confer upon any participant any right to continue in the employ of the Corporation or constitute any contract or agreement of employment or interfere in any way with the right of the Corporation to terminate or change the conditions of the participant's employment.

**8. Amendment and Termination.** While it is contemplated that the additional compensation described in this Plan shall be provided each Year, the Board shall have the right at any time, and from time to time, to modify, amend, suspend or terminate the Plan; provided, however, that: (i) no such action on its part shall adversely alter the rights of the participants or their beneficiaries or estates without the consent of such participants, beneficiaries or estates as to any additional compensation earned or deferred prior to such modification, amendment, suspension or termination of the Plan; (ii) no amendment that



requires the approval of the shareholders of the Corporation in order for the Plan to comply with Section 162(m) of the Code or other applicable law or applicable stock exchange requirements shall be effective unless approved by the requisite vote of the shareholders of the Corporation; and (iii) the Plan shall not be amended in anticipation of or in conjunction with the occurrence of a Change in Control of the Corporation or at any time following a Change in Control of the Corporation in any manner that would adversely affect the rights of eligible participants under the Plan.

No amendment or termination of this Plan shall impair or diminish the obligations of the Company to any eligible participants or the rights of any eligible participants under the Plan under any notices or agreements previously issued pursuant to the Plan.

**9. Information.** Each person entitled to receive a payment under this Plan, whether a participant, a duly designated beneficiary of a participant, a participant's estate or otherwise, shall provide the Committee with such information as it may from time to time deem necessary or in its best interests in administering the Plan. Any such person shall also furnish the Committee with such documents, evidence, data or other information as the Committee may from time to time deem necessary or advisable.

**10. Governing Law.** The Plan shall be construed, administered and governed in all respects under and by the applicable internal laws of the State of Ohio, without giving effect to the principles of conflicts of laws thereof.

**11. Interpretation.** The Plan is designed and intended to comply, to the extent applicable, with Section 162(m) of the Code, and all provisions hereof shall be construed in a manner to so comply.

**12. Distributions Upon IRS Determination.** In the event that the Internal Revenue Service or a court determines that amounts deferred under the Plan are taxable to any participant prior to distribution of such amounts, whether due to the administration, operation or any provision of the Plan or otherwise, the Committee shall have the discretion to cause such taxable amounts to be distributed to such participant during the Year in which such amounts are taxable or during any Year thereafter.

**13. Severe Financial Emergency.** [Section 13 was intentionally deleted by First Amendment adopted on December 1, 2005].

**14. Shares Authorized for Issuance Under the Plan.** The total number of shares of Stock authorized for issuance under the Plan is 404,733 shares, as authorized by shareholders at the Corporation's 2000 Annual Meeting. Such number of shares is subject to equitable adjustment in the event of a stock dividend, stock split, recapitalization, reorganization, merger, consolidation, liquidation, combination or exchange of stock, or a similar event affecting the Stock. At such time as shares of Stock (but not cash) are distributed to or in respect of participants under the Plan, the number of shares available for future issuance shall be decreased accordingly.

**15. Effective Date.** The Dana Corporation Additional Compensation Plan, as amended and restated, shall be effective as of November 1, 2007. The rights of any individual who retired under a prior version of the Plan shall be governed by the terms of the Plan in effect at the time of such Retirement.

**16. Termination of Deferrals Subject to Section 409A of the Code.** Effective as of January 1, 2005, no participant shall be entitled to defer the payment of an award earned under the Plan pursuant to the procedures set forth in Sections 6 and 7, and any such award that is earned in 2005 or in any subsequent Year under the Plan shall be paid to the participant pursuant to the provisions of Section 5.B. Accordingly, pursuant to transition relief provided by Q&A 20 of Internal Revenue Service Notice 2005-1 (the "Notice"), (i) all deferral elections in respect of awards earned in 2005 are revoked as of January 1, 2005, and (ii) the Committee shall permit participants to cancel the deferral of all previously deferred amounts subject to Section 409A of the Code (resulting in a partial termination of participation in the Plan as permitted by the Notice) by written notice delivered to the Committee, which cancellation shall be irrevocable. A participant who has cancelled deferral of his previously deferred amounts under the Plan pursuant to this Section 16 shall receive a distribution of the deferred amounts credited to his accounts under the Plan in a lump sum no later than December 31, 2005.

**17. Impact of Bankruptcy Reorganization.** Effective on and after March 3, 2006, no benefits shall be paid to any participant under this Plan except to the extent that payment of such benefit (a) has been expressly approved by the U.S. Bankruptcy Court or (b) is permitted by the terms of the Corporation's Plan of Reorganization. To the extent a participant would otherwise have been entitled to receive a benefit payment under this Plan during 2006 or 2007, but the Corporation was not able to complete such payment by reason of the restrictions on payment of unsecured claims imposed on the Corporation as a result of its bankruptcy filing, the participant shall be entitled to receive a payment from the Corporation in settlement of any and all claims the participant may have with respect to such benefit, at the time and in the manner prescribed by the terms of the Plan of Reorganization confirmed by the U.S. Bankruptcy Court.

**18. Additional Restrictions on Distributions Pursuant to Code Section 409A.** Effective on and after November 1, 2007, any distribution of a participant's Deferred Compensation Account under this Plan (other than Grandfathered Benefits to the extent described in Subsection 18E below) shall be subject to the additional restrictions imposed pursuant to Code Section 409A set forth in the following Subsections 18A, B, C and D.

A. Restriction on In-Service Distributions. No benefits payable with respect to a participant's Deferred Compensation Account under this Plan shall be distributed earlier than

(i) the date of the participant's separation from service with the Corporation [as this term may be defined in Section 409A(a)(2)(A)(i) of the Code and regulations promulgated thereunder],

(ii) the date of the Employee's death, or

(iii) a specified date upon which a distribution is payable pursuant to Section 19 and an election filed by the participant pursuant to that Section 19;

(iv) a Change in Control, but only to the extent provided in Subsection 18C below and regulations under Section 409A of the Code.

B. Additional Restriction on Distributions to Specified Employees. Notwithstanding Section 7 above, on or after November 1, 2007, if at the time a distribution of a Deferred Compensation Account would otherwise be payable to a participant under this Plan, the participant is a "Specified Employee" [as defined in Section 3J above], the distribution of the participant's Deferred Compensation Account may not be made until six months after the date of the participant's separation from service with the Company [as that term may be defined in Section 409A(a)(2)(A)(i) of the Code and regulations promulgated thereunder], or, if earlier the date of death of the participant Any payments not made to the participant during the six-month period shall be made to the participant six months and one day after the date of the participant's separation from service with the Corporation (or as soon thereafter as may be reasonably practical). This Subsection 18B shall remain in effect only for periods in which the Stock of the Corporation is publicly traded on an established securities market.

C. Payments on a Change of Control. If a Change in Control occurs on and after January 1, 2005, the immediate lump sum benefit payable to an participant pursuant to Section 6 above shall be limited to the participant's Grandfathered Benefit (if any) except to the extent that such Change in Control also satisfies the requirements for a Change in Control Event, as defined in Treasury Regulation 1.409A-3(i)(5), with respect to the participant.

D. Restrictions on Subsequent Elections. Except as provided in Section 19 of this Plan, any request or election to change the form in which the balance credited to a participant's Deferred Compensation Account under this Plan is distributed filed with the Corporation on or after November 1, 2007 shall be given effect only if it satisfies the following conditions:

(i) such request or election may not take effect until at least 12 months after the date on which the election is filed with the Corporation pursuant to Section 7 above; and

(ii) in the case of any request or election to change the timing of a distribution of a Deferred Compensation Account from this Plan (other than a benefit payable as result of the participant's death), the first payment made pursuant to such an election may not be made prior to the end of the period of 5 years from the date such payment would otherwise have been made.

E. Grandfathered Benefits. Effective for periods prior to November 1, 2007, the restrictions imposed by this Section 18 shall not apply to that portion, if any, of the distribution payable to a participant under this Plan that does not exceed the participant's Grandfathered Benefit, provided that effective on and after November 1, 2007, the participant's entire benefit under the Plan (including his Grandfathered Benefit) shall be subject to this Section 18 if the Employee is eligible to file an election under Section 19 below.

F. Interpretation. This Section 18 has been adopted only in order to comply with the requirements added by Section 409A of the Code. This Section 18 shall be interpreted and administered in a manner consistent with the requirements of Code Section 409A, together with any regulations or other guidance which may be published by the Treasury Department or Internal Revenue Service interpreting such Section 409A. This Section 18 is not intended to restrict the operation of this Plan in any manner not necessary to avoid adverse tax consequences under such Section 409A of the Code.

**19. Special One-Time Election to Receive Lump Sum Payouts Pursuant to Chapter 11 Plan.** Notwithstanding anything else in this Plan to the contrary, any participant who has an undistributed Deferred Compensation Account under this Plan as of November 1, 2007 and would not otherwise be entitled to receive a distribution under this Plan at any time during 2006 or 2007 prior to that date shall be entitled to elect, by filing a written election with the Vice President Human Resources of the Company before December 31, 2007, to receive a payment of his or her entire Deferred Compensation Account under this Plan during 2008 (but not before the date on which the Chapter 11 Plan of Reorganization for the Company confirmed by the U.S. Bankruptcy Court takes effect) regardless of whether the participant has terminated active employment with the Corporation (or its successor) prior to the date of payment. This payment shall be equal to the lesser of

(i) the amount of the distribution that would otherwise be payable to the participant under Section 7 of this Plan were the participant's employment with the Company to be terminated on November 1, 2007, or

(ii) the amount payable with respect to the Employee's claim for benefits under this Plan pursuant to the terms of the Company's Plan of Reorganization.

This amount shall be paid in a lump sum payment (or series of lump sum payments to be completed during 2008) consisting of such payments of cash or stock as may be provided for similar unsecured claims in the terms of the Plan of Reorganization confirmed by the U.S. Bankruptcy Court. Pursuant to IRS Notice 2005-1, Q&A-19(c) and IRS Notice 2006-79, any such election by the participant will not be treated as a change in the form and timing of a payment subject to Section 18D of this Plan and Code Section 409A(a)(4), provided that, the Participant files the election no later than December 31, 2007. With respect to a new election to change the time and form of payment made on or after January 1, 2007 and on or before December 31, 2007, the new payment election shall apply only to amounts that would not otherwise be payable in 2007.

**IN WITNESS WHEREOF**, Dana Corporation has executed this amended and restated Plan as of this 13<sup>th</sup> day of November, 2007.

**DANA CORPORATION**

By: /s/ R B Priory

/s/ V P Boyd

Witness

**DANA CORPORATION**  
**DIRECTOR DEFERRED FEE PLAN**

**SECTION 1. Introduction.** This Dana Corporation Director Deferred Fee Plan, as amended and restated effective as of April 2, 2003 (the "Plan"), is designed to (a) provide Directors of the Corporation with the opportunity to defer to a future date the receipt of their compensation as Directors, and (b) align the interests of the Directors with those of the stockholders of the Corporation by providing for automatic annual grants of Stock Units.

This Plan is hereby further amended and restated effective as of November 1, 2007 to allow participating Directors to make an election to receive a lump sum benefit during calendar year 2008, and as of January 1, 2005 in order to comply with the requirements imposed on deferred compensation plans by Section 409A of the Code, as added by the American Jobs Creation Act of 2004. However, the new restrictions set forth in Section 12 below in order to comply with Code Section 409A shall not be applicable to any Grandfathered Benefit accrued under this Plan by December 31, 2004, and such Section 12 shall not be applicable to any Director whose entire benefit under this Plan consists of a Grandfathered Benefit. By amending and restating this Plan, the Corporation does not intend to assume this Plan for purposes of Section 365 of the Bankruptcy Code, 11 USC Section 365.

**SECTION 2. Definitions.** For purposes of the Plan, the following words and phrases shall have the meanings set forth below:

"Accounts" shall mean a Director's Stock Account and Interest Equivalent Account.

"Board" shall mean the Corporation's Board of Directors.

"Committee" shall mean the Compensation Committee of the Board.

"Corporation" shall mean Dana Corporation.

"Director" shall mean a member of the Board of Directors of the Corporation, who is not a current employee of the Corporation or any of its Subsidiaries (as defined in Section 4.2).

"Fees" shall mean any retainer fees or meeting fees that a Director receives or is entitled to receive in payment for his service as a Director of the Corporation. "Fees" shall also include fees that accrue on account of service on any committee of the Board, and fees that are payable for Board and Board committee-related services performed at the request of the Chairman of the Board.

"Grandfathered Benefit" means that portion of the balance credited to a participant's Accounts under this Plan which had already been accrued by December 31, 2004 and was fully vested and not subject to a substantial risk of forfeiture on that date.

"Grant Date" shall mean the date each year of the annual organizational meeting of the Board that is held following the Corporation's Annual Meeting of Stockholders.

“Plan” shall mean the Dana Corporation Director Deferred Fee Plan, as amended and restated effective as of January 1, 2005, and as thereafter amended from time to time.

“Specified Employee” means any participant who has been determined to be a “key employee” of the Corporation, within the meaning of Code section 416(i) (without regard to paragraph (5) thereof) as of the preceding specified employee identification date, pursuant to the Corporation’s Policy on Identifying Specified Employees adopted by the Compensation Committee of the Corporation’s Board, as such Policy may be amended from time to time.

“Stock” shall mean the common stock, par value \$1 per share, of the Corporation.

“Unit” shall mean the equivalent in a Stock Account of one share of Stock, as described in Section 3.2 of the Plan.

“Year” shall mean a calendar year.

### **SECTION 3. Director’s Accounts.**

**3.1. Deferrals and Units Crediting.** Each Director may elect to have any portion (or all) of his Fees as a Director deferred by filing a written election with the Corporation prior to January 1 of each year for which deferrals are to be made. At the time a Director elects to defer Fees, he shall also designate whether such deferred Fees are to be credited to a Stock Account, an Interest Equivalent Account, or to a combination of both Accounts.

**3.2. Stock Account.** The Corporation shall establish a Stock Account for each Director. On each Grant Date, commencing in 2004, each Director shall have his Stock Account credited with a number of Units equivalent to the number of whole shares of Stock which could have been purchased for the dollar amount of \$75,000, assuming a purchase price equal to the average of the high and low trading prices of the Stock on the Grant Date as reported in the New York Stock Exchange-Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time). In addition, for each Director who elects to have all or a portion of his deferred Fees converted into Units, the Corporation shall credit that Stock Account with the deferred Fees at the time payment would have otherwise have been made to the Director. Any accrued dollar balance in such Account shall be converted four times each Year, effective March 31, June 30, September 30, and December 31, into a number of Units equal to the maximum number of whole shares of Stock that could have been purchased with the dollar amount credited to the Account, assuming a purchase price per share equal to the average of the last reported daily sales prices for shares of Stock on the New York Stock Exchange-Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time) on each trading day during the last full month preceding the date of conversion, and the dollar balance in the Account shall be appropriately reduced. Any dollar amount not converted to whole Units shall remain as a dollar balance in the Account.

When cash dividends are paid on the Corporation’s Stock, the Stock Account of each Director shall be credited as of the dividend payment date with an amount equal to the cash that would have been paid if each Unit in such Account, as of the dividend record date, had been one share of Stock.

If the Corporation increases or decreases the number of shares of its outstanding Stock as a result of a stock dividend, stock split, or stock combination, a corresponding proportionate adjustment shall be made in the number of Units then credited to each Director's Stock Account, as well as in the number of Units being credited annually to each Director's Stock Account, pursuant to this Section 3.

Each Director may convert, in any percentage increment or dollar amount, any or all of the Units credited to his Stock Account into an equivalent dollar balance in the Interest Equivalent Account. These elections can be made at any time within five years following the Director's termination of Board service, and shall be effective on the day the written election is received by the Corporation. For valuation purposes, each Unit so converted shall have an assumed value equal to the average of the last reported daily sales prices for shares of the Stock on the New York Stock Exchange-Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time) on each trading day during the last full calendar month preceding the effective date of conversion, and the Units credited to the Director's Stock Account shall be reduced by the number of Units so converted.

In the event a Director dies prior to the latest date on which he could have made an election to convert Units into Interest Equivalent amounts, as provided above, without having made such an election, his spouse (or in the event his spouse has predeceased him, his estate) shall be permitted to make such an election within the same period during which the election would have been available to the Director had he lived. Units that the spouse or estate elect to convert shall be valued according to the formula described in this Section 3.2.

**3.3. Interest Equivalent Account.** For each Director who elects to have all or a portion of his deferred Fees credited to an Interest Equivalent Account established for him by the Corporation, the Corporation shall credit that Account with the deferred Fees at the time payment would otherwise have been made to the Director. Any accrued dollar balance in such Account shall be credited four times each year, effective March 31, June 30, September 30, and December 31, with amounts equivalent to interest on the accrued dollar balance in the Account. Amounts credited to a Director's Interest Equivalent Account, including amounts equivalent to interest, shall continue to accrue amounts equivalent to interest until distributed in accordance with Section 4.

The rate of interest credited to the dollar balance in the Director's Interest Equivalent Account during any Year shall be the quoted and published interest rate for prime commercial loans by JP Morgan Chase Bank (or its successor) on the last business day of the immediately preceding Year.

**3.4. Accounts.** No person shall, by virtue of his participation in the Plan, have or acquire any interest whatsoever in property or assets of the Corporation or in any share of Stock, or have or acquire any rights whatsoever as a stockholder of the Corporation until shares of Stock are issued to him in accordance with Section 4.

Following a Director's death, retirement from the Board, or termination of service as a Director, amounts held in his Accounts will be distributed in accordance with Section 4.



#### **SECTION 4. Distributions to Directors.**

**4.1. Form of Distribution.** At any time on or before the date which is twelve months prior to the first distribution scheduled pursuant to this Section 4.1, a Director with an Account or Accounts under the Plan may establish a distribution schedule pursuant to election procedures prescribed by the Committee, specifying (a) that distributions be made to the Director out of his Account(s) in a specified number of annual installments (not exceeding ten), with the first distribution to be made either (i) in the month following retirement, termination of services, or the effective date of any post-retirement election to convert Units pursuant to Section 3.2, or (ii) in January of the first, second, or third year following retirement or termination of services (all subsequent distributions shall be made in January); and (b) the proportion that each such installment shall bear to the dollar amount or Units credited to his Accounts at the time of distribution of such installment, subject to adjustment to the next higher whole Unit in the case of distributions from the Stock Account.

Except as otherwise provided in this Plan, each distribution in respect of a Director's Accounts shall be made (in whole or in part) in shares of the Corporation's Stock, in cash, or in a combination of shares of Stock and cash, at the election of the Director. Subject to the last sentence of this paragraph, to the extent that a distribution is to be made in Stock, the number of shares of Stock to be distributed in respect of the Director's Interest Equivalent Account shall equal the maximum number of whole shares of Stock which could have been purchased with any accrued dollar amount in his Interest Equivalent Account then being distributed, assuming a purchase price per share of Stock equal to the average of the last reported daily sales prices for shares of such Stock on the New York Stock Exchange-Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time) on each trading day during the calendar month preceding the month of making such payment. Any stock distribution in respect of Units from a Director's Stock Account shall be made on the basis of one share of Stock for each Unit being distributed. Any dollar balance in a Director's Stock Account at the time of each distribution shall be carried forward until the final distribution.

In the event that a Director has not filed a distribution election as of the time of his retirement or termination of services or the Committee determines in its discretion that the Director's election is invalid for any reason, distribution of the dollar amounts and/or Units credited to his Accounts shall be made in an immediate cash lump sum to the Director.

In the event of the death of a Director either before or after retirement or termination of services, the dollar amount and/or Units then credited to his Accounts shall be distributed in an immediate cash lump sum to the Director's designated beneficiary or to the Director's estate in the event that the designated beneficiary fails to survive the Director or there is no designated beneficiary.

If any distribution in respect of a Director's Accounts is to be made in cash, the value of each Unit being distributed from his Stock Account shall be assumed, for purposes of such distribution, to be equal to the average of the last reported daily sales prices for shares of the Corporation's Stock on the New York Stock Exchange-Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be

publicly traded at such time) on each trading day during the calendar month preceding the month of making such payment. A cash distribution may also be made from a Director's Interest Equivalent Account, in which case a corresponding reduction in the balance of that Account will be made.

If any distribution is to be made in shares of the Corporation's Stock, the Corporation shall take all necessary action to comply with or secure an exemption from the registration requirements of the Securities Act of 1933, and the listing requirements of the New York Stock Exchange and any other securities exchange on which the Corporation's Stock may then be listed; provided, that the Corporation may (a) delay the making of any such distribution in shares of its Stock for such period as it may deem necessary or advisable to effect compliance with the requirements above referred to, and (b) require, as a condition precedent to the delivery of the certificate(s) representing such shares, that any recipient thereof execute and deliver such representations, agreements and/or covenants in favor of the Corporation with respect to the holding and/or disposition of such shares, and such consent to the mechanics for enforcement of such representations, agreements and/or covenants, as the Committee may deem necessary or advisable in order to comply with or obtain exemption from any of the requirements referred to above.

All distributions under the Plan shall be made to the Director, except that, in the event of the death of a Director, distributions shall be made to such person or persons as such Director shall have designated by written notice to the Committee prior to his death. In the event the designated beneficiary fails to survive the Director, or if the Director fails to designate a beneficiary in writing, the Corporation shall distribute the balance in the Director's Accounts to the legal representative of such deceased Director.

**4.2. Change in Control Provisions.** Anything in this Section 4 or elsewhere in the Plan to the contrary notwithstanding, in the event of a Change in Control of the Corporation, there shall promptly be paid to each Director and each former Director who has an Account under the Plan, a lump sum cash amount equal to all amounts and Units credited to his Stock Account and his Interest Equivalent Account, provided that, effective on and after January 1, 2005, such lump sum distribution shall be limited to the participant's Grandfathered Benefit unless the Change in Control also qualifies as a Change in Control Event as provided in Section 12C below. For purposes of converting any Units in the Stock Account into a cash equivalent, the value of the Units shall be deemed to be the higher of: (a) the average of the reported closing prices of the Corporation's Stock, as reported on the New York Stock Exchange-Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time), for the last trading day prior to the Change in Control of the Corporation and for the last trading day of each of the two preceding thirty-day periods; and (b) an amount equal to the highest per share consideration paid for the Stock of the Corporation acquired in the transaction constituting the Change in Control of the Corporation. For purposes of this paragraph, a "Change in Control of the Corporation" shall mean the first to occur of any of the following events:

- (i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 20% or

more of the combined voting power of the Corporation's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with any acquisition by any corporation pursuant to a transaction that complies with clauses (A), (B) and (C) of paragraph (iii) below; or

- (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on April 20, 2004, constitute the Board (the "Incumbent Board") and any new director whose appointment or election by the Board or nomination for election by the Corporation's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on April 20, 2004, or whose appointment, election or nomination for election was previously so approved or recommended. For purposes of the preceding sentence, any director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Corporation, shall not be treated as a member of the Incumbent Board; or
- (iii) there is consummated a merger, reorganization, statutory share exchange or consolidation or similar corporate transaction involving the Corporation or any direct or indirect subsidiary of the Corporation, a sale or other disposition of all or substantially all of the assets of the Corporation, or the acquisition of assets or stock of another entity by the Corporation or any of its subsidiaries (each a "Business Combination"), in each case unless, immediately following such Business Combination, (A) the voting securities of the Corporation outstanding immediately prior to such Business Combination (the "Prior Voting Securities") continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity of the Business Combination or any parent thereof) at least 50% of the combined voting power of the securities of the Corporation or such surviving entity or parent thereof outstanding immediately after such Business Combination, (B) no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation or the surviving entity of the Business Combination or any parent thereof (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 20% or more of the combined voting power of the securities of the Corporation or surviving entity of the Business Combination or the parent thereof, except to the extent that such ownership existed immediately prior to the Business Combination and (C) at least a majority of the members of the board of directors of the Corporation or the surviving entity of the Business Combination or any parent thereof were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or
- (iv) the stockholders of the Corporation approve a plan of complete liquidation or dissolution of the Corporation.

Notwithstanding the foregoing, any disposition of all or substantially all of the assets of the Corporation pursuant to a spinoff, splitup or similar transaction (a "Spinoff") shall not be treated as a Change in Control of the Corporation if, immediately following the Spinoff, holders of the Prior Voting Securities immediately prior to the Spinoff continue to beneficially own, directly or

indirectly, more than 50% of the combined voting power of the then outstanding securities of both entities resulting from such transaction, in substantially the same proportions as their ownership, immediately prior to such transaction, of the Prior Voting Securities; provided, that if another Business Combination involving the Corporation occurs in connection with or following a Spinoff, such Business Combination shall be analyzed separately for purposes of determining whether a Change in Control of the Corporation has occurred.

For purposes of this “Change in Control of the Corporation” definition, the following terms shall have the following meanings:

“Affiliate” shall mean a corporation or other entity which is not a Subsidiary and which directly, or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, the Corporation. For the purpose of this definition, the terms “control”, “controls” and “controlled” mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a corporation or other entity, whether through the ownership of voting securities, by contract, or otherwise.

“Beneficial Owner” or “Beneficially Owned” shall have the meaning set forth in Rule 13d-3 under the Exchange Act.

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

“Person” shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Corporation or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation.

“Subsidiary” shall mean a corporation or other entity, of which 50% or more of the voting securities or other equity interests is owned directly, or indirectly through one or more intermediaries, by the Corporation.

**4.3. Special Transition Relief in 2005.** During 2005, each Director with an Account or Accounts under the Plan may elect, pursuant to a special election form designated for that purpose and approved by the Committee, to cancel existing deferral elections made by the Director in respect of fees to be earned in 2005. In addition, the Committee may, in its discretion, permit any Director who is retiring during 2005 to elect to terminate the retiring Director’s participation in the Plan as of a date in 2005 specified on such form, each in accordance with the guidance provided by IRS Notice 2005-1, Q&A 20; provided that the full amount subject to the cancellation or termination shall be includible in the income of the retiring Director when it is distributed to him in 2005 or is otherwise earned by him in 2005. Such election shall not be revocable by the Director. A retiring Director who has cancelled participation in the Plan

pursuant to this Section 4.3 shall receive a distribution of his Account(s) in a lump sum as of the date in 2005 specified on the special election form.

**4.4. Special One-Time Election to Receive Lump Sum Payouts Pursuant to Chapter 11 Plan.** Notwithstanding anything else in this Plan to the contrary, any participating Director who has an undistributed Stock Account or Interest Equivalent Account under this Plan as of November 1, 2007 and would not otherwise be entitled to receive a distribution under this Plan at any time during 2006 or 2007 prior to that date shall be entitled to elect, by filing a written election with the Corporation before December 31, 2007, to receive a payment of his or her entire Accounts under this Plan during 2008 (but not before the date on which the Chapter 11 Plan of Reorganization for the Company confirmed by the U.S. Bankruptcy Court takes effect) regardless of whether the participant has terminated his or her performance of services as a member of the Board prior to the date of payment. This payment shall be equal to the lesser of

- (i) the amount of the distribution that would otherwise be payable to the participant under Section 4.1 of this Plan were the participant to have retired from service as a member of the Board on November 1, 2007, or
- (ii) the amount payable with respect to the participant's claim for benefits under this Plan pursuant to the terms of the Company's Plan of Reorganization.

This amount shall be paid in a lump sum payment (or series of lump sum payments to be completed during 2008) consisting of such payments of cash or stock as may be provided for similar unsecured claims in the terms of the Plan of Reorganization confirmed by the U.S. Bankruptcy Court. Pursuant to IRS Notice 2005-1 Q&A-19(c) and IRS Notice 2006-79, any such election by the participant will not be treated as a change in the form and timing of a payment subject to Section 12D of this Plan and Code Section 409A(a)(4), provided that, the participant files the election no later than December 31, 2007. With respect to a new election to change the time and form of payment made on or after January 1, 2007 and on or before December 31, 2007, the new payment election shall apply only to amounts that would not otherwise be payable in 2007.

**SECTION 5. Non-Assignment of Interest.** No interest in any undistributed Unit or Interest Equivalent Account amount shall be transferable or assignable by any Director, and any purported transfer or assignment of any such interest, and any purported lien on or pledge of any such interest, made or created by any Director, shall be void and of no force or effect as against the Corporation. Any payment due under this Plan shall not, in any manner, be subject to the debts or liabilities of any Director or beneficiary. Units are equivalent to shares of the Corporation's Stock for accounting purposes only, have no voting rights, and shall not be convertible to, or considered to be, actual shares of Stock for any reason.

**SECTION 6. Amendment, Termination, and Interpretation of Plan.** The Board shall have the right at any time, and from time to time, to modify, amend, suspend, or terminate the Plan; provided, however, that no such action shall be taken that would affect Fees deferred (or Units or Interest Equivalent amounts credited) prior to the action taken without the consent of the affected Director (or his personal representative). In addition, if stockholder approval is

required with respect to any amendment under applicable law, rule or regulation, such amendment shall not become effective until the requisite stockholder approval is obtained.

The Committee shall have the power to interpret the Plan and to decide any and all matters arising hereunder, including, but not limited to, the right to remedy possible ambiguities, inconsistencies, or omissions by general rule or particular decision; provided that all such interpretations and decisions shall be applied in a uniform and nondiscriminatory manner to all participants similarly situated. In addition, any interpretations and decisions made by the Committee shall be final, conclusive, and binding upon all persons who have (or claim to have) any interest in or under the Plan.

**SECTION 7. Governing Law.** The Plan shall be construed, administered, and governed in all respects under and by the applicable internal laws of the State of Ohio, without giving effect to the principles of conflicts of laws thereof.

**SECTION 8. Shares Authorized for Issuance Under Plan.** The total number of shares of the Corporation's Stock authorized for issuance under the Plan is 255,000 (consisting of 55,000 shares previously authorized by the Corporation's stockholders at the 1997 Annual Meeting and the 200,000 shares authorized by the Corporation's stockholders at the 2003 Annual Meeting). Such number of shares is subject to adjustment in the event of a stock dividend, stock split, recapitalization, reorganization, merger, consolidation, liquidation, combination or exchange of stock, or a similar event. At such time as shares of Stock (but not cash) are distributed to Directors upon their death, retirement from the Board, or termination of service as a Director, the number of shares available for future issuance under the Plan shall be decreased accordingly.

**SECTION 9. Effective Date and Term.** The Plan, as amended, shall become effective on April 2, 2003, and shall have a ten-year term commencing on such effective date and expiring on April 1, 2013.

**SECTION 10. Canadian Resident Directors.** Notwithstanding anything in the Plan to the contrary, the Plan, as it applies to a Director who is a resident of Canada for the purposes of the Income Tax Act (Canada) at any time that Units are credited to a Stock Account of that Director, shall be as modified in Schedule 1 hereto.

**SECTION 11. Impact of Bankruptcy Reorganization.** Effective on and after March 3, 2006, no benefits shall be paid to any participant under this Plan except to the extent that payment of such benefit (a) has been expressly approved by the U.S. Bankruptcy Court or (b) is permitted by the terms of the Corporation's Plan of Reorganization. To the extent a participant would otherwise have been entitled to receive a benefit payment under this Plan during 2006 or 2007, but the Corporation was not able to complete such payment by reason of the restrictions on payment of unsecured claims imposed on the Corporation as a result of its bankruptcy filing, the participant shall be entitled to receive a payment from the Corporation in settlement of any and all claims the participant may have with respect to such benefit, at the time and in the manner prescribed by the terms of the Plan of Reorganization confirmed by the U.S. Bankruptcy Court.

**SECTION 12. Additional Restrictions on Distributions Pursuant to Code Section 409A.** Effective on and after November 1, 2007, any distribution of a participant's Stock Account or Interest Equivalent Account under this Plan to (other than Grandfathered Benefits to the extent described in Subsection 12E below) shall be subject to the additional restrictions imposed pursuant to Code Section 409A set forth in the following Subsections 12A, B, C and D.

A. Restriction on In-Service Distributions. No benefits payable with respect to a participant's Accounts under this Plan shall be distributed earlier than

(i) the date of the participant's separation from service with the Corporation [as this term may be defined in Section 409A(a)(2)(A)(i) of the Code and regulations promulgated thereunder],

(ii) the date of the participant's death, or

(iii) a specified date upon which a distribution is payable pursuant to Section 4.4 and an election filed by the participant pursuant to that Section 4.4;

(iv) a Change in Control, but only to the extent provided in Subsection 12C below and regulations under Section 409A of the Code.

B. Additional Restriction on Distributions to Specified Employees. Notwithstanding Section 4.1, on or after November 1, 2007, if at the time a distribution of a Director's Stock Account or Interest Equivalent Account would otherwise be payable to the participant under this Plan, the participant is a "Specified Employee" [as defined in Section 2 above] of the Corporation, the distribution of the participant's Accounts may not be made until six months after the date of the participant's separation from service with the Corporation [as that term may be defined in Section 409A(a)(2)(A)(i) of the Code and regulations promulgated thereunder], or, if earlier the date of death of the participant Any payments not made to the participant during the six-month period shall be made to the participant six months and one day after the date of the participant's separation from service with the Corporation (or as soon thereafter as may be reasonably practical). This Subsection 12B shall remain in effect only for periods in which the Stock of the Corporation is publicly traded on an established securities market.

C. Payments on a Change of Control. If a Change in Control occurs on and after January 1, 2005, the immediate lump sum benefit payable to an participant pursuant to Section 4.2 above shall be limited to the participant's Grandfathered Benefit (if any) except to the extent that such Change in Control also satisfies the requirements for a Change in Control Event, as defined in Treasury Regulation 1.409A-3(i)(5), with respect to the participant.

D. Restrictions on Subsequent Elections. Except as provided in Section 4.4 of this Plan, any request or election to change the form in which the balance credited to a participant's Stock Account and or Interest Equivalent Account under this Plan is distributed

filed with the Corporation on or after November 1, 2007 shall be given effect only if it satisfies the following conditions:

(iii) such request or election may not take effect until at least 12 months after the date on which the election is filed with the Corporation pursuant to Section 4.1 above; and

(ii) in the case of any request or election to change the timing of a distribution of a participant's Accounts from this Plan (other than a benefit payable as result of the participant's death), the first payment made pursuant to such an election may not be made prior to the end of the period of 5 years from the date such payment would otherwise have been made.

E. **Grandfathered Benefits.** Effective for periods prior to November 1, 2007, the restrictions imposed by this Section 12 shall not apply to that portion, if any, of the distribution payable to a participant under this Plan that does not exceed the participant's Grandfathered Benefit, provided that effective on and after November 1, 2007, the participant's entire benefit under the Plan (including his Grandfathered Benefit) shall be subject to this Section 12 if the participant is eligible to file an election under Section 4.4 above.

F. **Interpretation.** This Section 12 has been adopted only in order to comply with the requirements added by Section 409A of the Code. This Section 12 shall be interpreted and administered in a manner consistent with the requirements of Code Section 409A, together with any regulations or other guidance which may be published by the Treasury Department or Internal Revenue Service interpreting such Section 409A. This Section 12 is not intended to restrict the operation of this Plan in any manner not necessary to avoid adverse tax consequences under such Section 409A of the Code.

**IN WITNESS WHEREOF**, Dana Corporation has executed this amended and restated Plan as of this 13<sup>th</sup> day of November, 2007.

**DANA CORPORATION**

By: /s/ R B Priory

/s/ V P Boyd  
Witness



**DANA CORPORATION  
DIRECTOR DEFERRED FEE PLAN**

**For Directors Resident in Canada**

**SECTION 1. Introduction.** This Schedule 1 modifies the Dana Corporation Director Deferred Fee Plan for Directors resident in Canada to provide such Directors with the opportunity to defer to a future date the receipt of their compensation as Directors and to help align their interests with those of the stockholders of the Corporation by providing for automatic annual grants of Stock Units. This Schedule 1 constitutes the entire Plan for such Directors.

**SECTION 2. Definitions.** For purposes of the Plan, the following words and phrases shall have the meanings set forth below:

“Account” or “Stock Account” shall mean an Account established for each Director to which deferred Fees or Units are credited by way of a bookkeeping entry in the books of the Corporation.

“Board” shall mean the Corporation’s Board of Directors.

“Committee” shall mean the Compensation Committee of the Board.

“Corporation” shall mean Dana Corporation.

“Director” shall mean a member of the Board of Directors of the Corporation, who is not a current employee of the Corporation or any of its Subsidiaries and who is a Canadian resident.

“Fair Market Value” shall mean the mean between the highest and lowest prices for a share of Stock as reported on the New York Stock Exchange-Composite Transactions published in the *Wall Street Journal* for such date (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time).

“Fees” shall mean any retainer fees or meeting fees that a Director receives or is entitled to receive in payment for his service as a Director of the Corporation. “Fees” shall also include fees that accrue on account of service on any committee of the Board, and fees that are payable for Board and Board committee-related services performed at the request of the Chairman of the Board.

“Grandfathered Benefit” means that portion of the balance credited to a participant’s Accounts under this Plan which had already been accrued by December 31, 2004 and was fully vested and not subject to a substantial risk of forfeiture on that date.

“Grant Date” shall mean the date each year of the annual organizational meeting of the Board that is held following the Corporation’s Annual Meeting of Stockholders.

“Plan” shall mean the Dana Corporation Director Deferred Fee Plan, as amended by and set out in this Schedule 1 for Directors resident in Canada, and as thereafter amended from time to time.

“Specified Employee” means any participant who has been determined to be a “key employee” of the Corporation, within the meaning of Code section 416(i) (without regard to paragraph (5) thereof) as of the preceding specified employee identification date, pursuant to the Corporation’s Policy on Identifying Specified Employees adopted by the Compensation Committee of the Corporation’s Board, as such Policy may be amended from time to time.

“Stock” shall mean the common stock, par value \$1 per share, of the Corporation.

“Termination of Service” shall mean the date on which the Director ceases to be a member of the Board, provided that he is not expected to become an employee of the Corporation or any of its Subsidiaries.

“Unit” shall mean a unit credited to a Director’s Account pursuant to Section 3.2 hereof, the value of which on any particular date shall be equal to the Fair Market Value of one share of Stock.

“Year” shall mean a calendar year.

### **SECTION 3. Director’s Account.**

**3.1. Deferrals and Units Crediting.** Each Director may elect to have any portion (or all) of his Fees as a Director deferred by filing a written election with the Corporation prior to January 1 of each Year for which deferrals are to be made. Any such deferred Fees are to be credited to the Director’s Stock Account. In addition, in respect of services performed by the Director, on each Grant Date commencing in 2004, each Director shall have his Stock Account credited with a number of Units equivalent to the number of whole shares of Stock which could have been purchased for the dollar amount of US \$75,000, assuming a purchase price equal to the average of the high and low trading prices of the Stock on the Grant Date as reported in the New York Stock Exchange-Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time).

**3.2. Stock Account.** For each Director who elects to have all or a portion of his deferred Fees converted into Units, the Corporation shall credit that Director’s Stock Account with the deferred Fees at the time payment would have otherwise have been made to the Director.

When cash dividends are paid on the Corporation’s Stock, the dollar balance in the Account of each Director shall be credited as of the dividend payment date with an amount equal to the cash that would have been paid if each Unit in such Account, as of the dividend record date, had been one share of Stock.

Any accrued dollar balance in such Account shall be converted four times each Year, effective March 31, June 30, September 30, and December 31, into a number of Units equal to

the maximum number of whole shares of Stock that could have been purchased on the applicable date with the dollar amount credited to the Account, assuming a purchase price per share equal to the Fair Market Value on that date. Any dollar amount not converted to whole Units shall remain as a dollar balance in the Account.

If the Corporation increases or decreases the number of shares of its outstanding Stock as a result of a stock dividend, stock split, or stock combination, a corresponding proportionate adjustment shall be made in the number of Units then credited to each Director's Account, as well as in the number of Units being credited annually to each Director's Account, pursuant to this Section 3.

No person shall, by virtue of his participation in the Plan, have or acquire any interest whatsoever in property or assets of the Corporation or in any share of Stock, or have or acquire any rights whatsoever as a stockholder of the Corporation until shares of Stock are issued to him in accordance with Section 4.

Following a Director's death, retirement from the Board, or Termination of Service as a Director, amounts held in his Account will be distributed in accordance with Section 4.

#### **SECTION 4. Distributions to Directors.**

**4.1. Form of Distribution.** At any time on or before the date which is twelve months prior to the first distribution scheduled pursuant to this Section 4.1, a Director with an Account under the Plan may establish a distribution schedule pursuant to election procedures prescribed by the Committee, specifying (a) that the distributions be made to the Director out of his Account in a specified number of annual installments (not exceeding ten), with the first distribution to be made either (i) in the month following retirement, Termination of Service, or the effective date of any post-retirement election to convert Units pursuant to Section 3.2, or (ii) in January of the first, second, or third year following retirement or termination of services (all subsequent distributions shall be made in January); and (b) the proportion that each such installment shall bear to the dollar amount or Units credited to his Account at the time of distribution of such installment.

Except as otherwise provided in this Plan, each distribution in respect of a Director's Account shall be made (in whole or in part) in shares of the Corporation's Stock, in cash, or in a combination of shares of Stock and cash, at the election of the Director. Any Stock distribution in respect of Units shall be made on the basis of one share of the Corporation's Stock for each Unit being distributed. Any dollar balance in a Director's Stock Account at the time of each distribution shall be carried forward until the final distribution.

In the event that a Director has not filed a distribution election as of the time of his retirement or Termination of Service or the Committee determines in its discretion that the Director's election is invalid for any reason, distribution of the dollar amounts and/or Units credited to his Account shall be made in an immediate cash lump sum to the Director.

In the event of the death of a Director either before or after retirement or Termination of Service, the dollar amount and/or Units then credited to his Account shall be distributed in an

immediate cash lump sum to the Director's designated dependant or relation or to the Director's legal representative in the event that the designated dependant or relation fails to survive the Director or there is no designated dependant or relation.

If any distribution in respect of a Director's Account is to be made in cash, the value of each Unit being distributed from his Account shall be equal to the Fair Market Value of one share of Stock on the date of distribution.

If any distribution is to be made in shares of the Corporation's Stock, the Corporation shall take all necessary action to comply with or secure an exemption from the registration requirements of the Securities Act of 1933, the requirements of any applicable Canadian securities legislation, and the listing requirements of the New York Stock Exchange and any other securities exchange on which the Corporation's Stock may then be listed; provided, that the Corporation may (a) delay the making of any such distribution in shares of its Stock for such period as it may deem necessary or advisable to effect compliance with the requirements above referred to, and (b) require, as a condition precedent to the delivery of the certificate(s) representing such shares, that any recipient thereof execute and deliver such representations, agreements and/or covenants in favor of the Corporation with respect to the holding and/or disposition of such shares, and such consent to the mechanics for enforcement of such representations, agreements and/or covenants, as the Committee may deem necessary or advisable in order to comply with or obtain exemption from any of the requirements referred to above.

All distributions under the Plan shall be made to the Director, except that, in the event of the death of a Director, distributions shall be made to such dependant(s) or relation(s) as such Director shall have designated by written notice to the Committee prior to his death. In the event the designated dependant(s) or relation(s) fails to survive the Director, or if the Director fails to designate dependant(s) or relation(s) in writing, the Corporation shall distribute the balance in the Director's Account to the legal representative of such deceased Director.

**4.2. Change in Control Provisions.** Anything in this Section 4 or elsewhere in the Plan to the contrary notwithstanding, in the event of a Change in Control of the Corporation, there shall promptly be paid to each Director and each former Director who has an Account under the Plan, a lump sum cash amount equal to all amounts and Units credited to his Account, provided that, effective on and after January 1, 2005, such lump sum distribution shall be limited to the participant's Grandfathered Benefit unless the Change in Control also qualifies as a Change in Control Event as provided in Section 11C below. For purposes of converting any Units in the Account into a cash equivalent, the value of the Units shall be deemed to be the higher of: (a) the average of the reported closing prices of the Corporation's Stock, as reported on the New York Stock Exchange-Composite Transactions (or, for periods after March 3, 2006, any other stock exchange or trading system on which the Stock may be publicly traded at such time), for the last trading day prior to the Change in Control of the Corporation and for the last trading day of each of the two preceding thirty-day periods; and (b) an amount equal to the highest per share consideration paid for the Stock of the Corporation acquired in the transaction constituting the Change in Control of the Corporation. For purposes of this paragraph, a "Change in Control of the Corporation" shall mean the first to occur of any of the following events:

- (i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 20% or more of the combined voting power of the Corporation's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with any acquisition by any corporation pursuant to a transaction that complies with clauses (A), (B) and (C) of paragraph (iii) below; or
- (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on April 20, 2004, constitute the Board (the "Incumbent Board") and any new director whose appointment or election by the Board or nomination for election by the Corporation's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on April 20, 2004, or whose appointment, election or nomination for election was previously so approved or recommended. For purposes of the preceding sentence, any director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Corporation, shall not be treated as a member of the Incumbent Board; or
- (iii) there is consummated a merger, reorganization, statutory share exchange or consolidation or similar corporate transaction involving the Corporation or any direct or indirect subsidiary of the Corporation, a sale or other disposition of all or substantially all of the assets of the Corporation, or the acquisition of assets or stock of another entity by the Corporation or any of its subsidiaries (each a "Business Combination"), in each case unless, immediately following such Business Combination, (A) the voting securities of the Corporation outstanding immediately prior to such Business Combination (the "Prior Voting Securities") continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity of the Business Combination or any parent thereof) at least 50% of the combined voting power of the securities of the Corporation or such surviving entity or parent thereof outstanding immediately after such Business Combination, (B) no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation or the surviving entity of the Business Combination or any parent thereof (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 20% or more of the combined voting power of the securities of the Corporation or surviving entity of the Business Combination or the parent thereof, except to the extent that such ownership existed immediately prior to the Business Combination and (C) at least a majority of the members of the board of directors of the Corporation or the surviving entity of the Business Combination or any parent thereof were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or
- (iv) the stockholders of the Corporation approve a plan of complete liquidation or dissolution of the Corporation.

Notwithstanding the foregoing, any disposition of all or substantially all of the assets of the Corporation pursuant to a spinoff, splitup or similar transaction (a "Spinoff") shall not be treated as a Change in Control of the Corporation if, immediately following the Spinoff, holders of the Prior Voting Securities immediately prior to the Spinoff continue to beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding securities of both entities resulting from such transaction, in substantially the same proportions as their ownership, immediately prior to such transaction, of the Prior Voting Securities; provided, that if another Business Combination involving the Corporation occurs in connection with or following a Spinoff, such Business Combination shall be analyzed separately for purposes of determining whether a Change in Control of the Corporation has occurred.

For purposes of this "Change in Control of the Corporation" definition, the following terms shall have the following meanings:

"Affiliate" shall mean a corporation or other entity which is not a Subsidiary and which directly, or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, the Corporation. For the purpose of this definition, the terms "control", "controls" and "controlled" mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a corporation or other entity, whether through the ownership of voting securities, by contract, or otherwise.

"Beneficial Owner" or "Beneficially Owned" shall have the meaning set forth in Rule 13d-3 under the Exchange Act.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

"Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Corporation or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation.

"Subsidiary" shall mean a corporation or other entity, of which 50% or more of the voting securities or other equity interests is owned directly, or indirectly through one or more intermediaries, by the Corporation.

**4.3. Special Transition Relief in 2005.** During 2005, each Director with an Account or Accounts under the Plan may elect, pursuant to a special election form designated for that purpose and approved by the Committee, to cancel existing deferral elections made by the Director in respect of fees to be earned in 2005. In addition, the Committee may, in its discretion, permit any Director who is retiring during 2005 to elect to terminate the retiring Director's participation in the Plan as of a date in 2005 specified on such form, each in accordance with the

guidance provided by IRS Notice 2005-1, Q&A 20; provided that the full amount subject to the cancellation or termination shall be includible in the income of the retiring Director when it is distributed to him in 2005 or is otherwise earned by him in 2005. Such election shall not be revocable by the Director. A retiring Director who has cancelled participation in the Plan pursuant to this Section 4.3 shall receive a distribution of his Account(s) in a lump sum as of the date in 2005 specified on the special election form.

**4.4. Special One-Time Election to Receive Lump Sum Payouts Pursuant to Chapter 11 Plan.** Notwithstanding anything else in this Plan to the contrary, any participating Director who has an undistributed Stock Account or Interest Equivalent Account under this Plan as of November 1, 2007 and would not otherwise be entitled to receive a distribution under this Plan at any time during 2006 or 2007 prior to that date shall be entitled to elect, by filing a written election with the Corporation before December 31, 2007, to receive a payment of his or her entire Accounts under this Plan during 2008 (but not before the date on which the Chapter 11 Plan of Reorganization for the Company confirmed by the U.S. Bankruptcy Court takes effect) regardless of whether the participant has terminated his or her performance of services as a member of the Board prior to the date of payment. This payment shall be equal to the lesser of

- (iv) the amount of the distribution that would otherwise be payable to the participant under Section 4.1 of this Plan were the participant to have retired from service as a member of the Board on November 1, 2007, or
- (v) the amount payable with respect to the participant's claim for benefits under this Plan pursuant to the terms of the Company's Plan of Reorganization.

This amount shall be paid in a lump sum payment (or series of lump sum payments to be completed during 2008) consisting of such payments of cash or stock as may be provided for similar unsecured claims in the terms of the Plan of Reorganization confirmed by the U.S. Bankruptcy Court. Pursuant to IRS Notice 2005-1 Q&A-19(c) and IRS Notice 2006-79, any such election by the participant will not be treated as a change in the form and timing of a payment subject to Section 11D of this Plan and Code Section 409A(a)(4), provided that, the participant files the election no later than December 31, 2007. With respect to a new election to change the time and form of payment made on or after January 1, 2007 and on or before December 31, 2007, the new payment election shall apply only to amounts that would not otherwise be payable in 2007.

**SECTION 5. Non-Assignment of Interest.** No interest in any undistributed Unit or dollar amount in a Director's Account shall be transferable or assignable by any Director, and any purported transfer or assignment of any such interest, and any purported lien on or pledge of any such interest, made or created by any Director, shall be void and of no force or effect as against the Corporation. Any payment due under this Plan shall not, in any manner, be subject to the debts or liabilities of any Director or beneficiary. Units are equivalent to shares of the Corporation's Stock for accounting purposes only, have no voting rights, and shall not be convertible to, or considered to be, actual shares of Stock for any reason.

**SECTION 6. Amendment, Termination, and Interpretation of Plan.** The Board shall have the right at any time, and from time to time, to modify, amend, suspend, or terminate the Plan; provided, however, that no such action shall be taken that would affect Fees deferred

(or Units credited) prior to the action taken without the consent of the affected Director (or his legal representative). In addition, if stockholder approval is required with respect to any amendment under applicable law, rule or regulation, such amendment shall not become effective until the requisite stockholder approval is obtained.

The Committee shall have the power to interpret the Plan and to decide any and all matters arising hereunder, including, but not limited to, the right to remedy possible ambiguities, inconsistencies, or omissions by general rule or particular decision; provided that all such interpretations and decisions shall be applied in a uniform and nondiscriminatory manner to all participants similarly situated. In addition, any interpretations and decisions made by the Committee shall be final, conclusive, and binding upon all persons who have (or claim to have) any interest in or under the Plan.

**SECTION 7. Governing Law.** The Plan shall be construed, administered, and governed in all respects under and by the applicable internal laws of the State of Ohio, USA without giving effect to the principles of conflicts of laws thereof.

**SECTION 8. Shares Authorized for Issuance Under the Plan.** This Schedule 1 does not modify the total number of shares of the Corporation's Stock reserved for issue under the Plan as amended and restated effective April 2, 2003. Such number of shares is subject to adjustment in the event of a stock dividend, stock split, recapitalization, reorganization, merger, consolidation, liquidation, combination or exchange of stock or a similar event. At such time as shares of Stock (but not cash) are distributed to Directors upon their death, retirement from the Board, or Termination of Service, the number of shares available for future issuance under the Plan shall be decreased accordingly.

**SECTION 9. Effective Date and Term.** The Plan, as amended, shall become effective on April 2, 2003, and shall have a ten-year term commencing on such effective date and expiring on April 1, 2013. This Schedule 1 will apply to any Units credited before or after such effective date to the Account of a Director resident in Canada.

**SECTION 10. Impact of Bankruptcy Reorganization.** Effective on and after March 3, 2006, no benefits shall be paid to any participant under this Plan except to the extent that payment of such benefit (a) has been expressly approved by the U.S. Bankruptcy Court or (b) is permitted by the terms of the Corporation's Plan of Reorganization. To the extent a participant would otherwise have been entitled to receive a benefit payment under this Plan during 2006 or 2007, but the Corporation was not able to complete such payment by reason of the restrictions on payment of unsecured claims imposed on the Corporation as a result of its bankruptcy filing, the participant shall be entitled to receive a payment from the Corporation in settlement of any and all claims the participant may have with respect to such benefit, at the time and in the manner prescribed by the terms of the Plan of Reorganization confirmed by the U.S. Bankruptcy Court.

**SECTION 11. Additional Restrictions on Distributions Pursuant to Code Section 409A.** Effective on and after November 1, 2007, any distribution of a participant's Stock Account or Interest Equivalent Account under this Plan to (other than Grandfathered Benefits to



the extent described in Subsection 11E below) shall be subject to the additional restrictions imposed pursuant to Code Section 409A set forth in the following Subsections 11A, B, C and D.

- A. Restriction on In-Service Distributions. No benefits payable with respect to a participant's Accounts under this Plan shall be distributed earlier than
- (i) the date of the participant's separation from service with the Corporation [as this term may be defined in Section 409A(a)(2)(A)(i) of the Code and regulations promulgated thereunder],
  - (ii) the date of the participant's death, or
  - (iii) a specified date upon which a distribution is payable pursuant to Section 4.4 and an election filed by the participant pursuant to that Section 4.4;
  - (iv) a Change in Control, but only to the extent provided in Subsection 11C below and regulations under Section 409A of the Code.

B. Additional Restriction on Distributions to Specified Employees. Notwithstanding Section 4.1, on or after November 1, 2007, if at the time a distribution of a Director's Stock Account or Interest Equivalent Account would otherwise be payable to the participant under this Plan, the participant is a "Specified Employee" [as defined in Section 2 above] of the Corporation, the distribution of the participant's Accounts may not be made until six months after the date of the participant's separation from service with the Corporation [as that term may be defined in Section 409A(a)(2)(A)(i) of the Code and regulations promulgated thereunder], or, if earlier the date of death of the participant Any payments not made to the participant during the six-month period shall be made to the participant six months and one day after the date of the participant's separation from service with the Corporation (or as soon thereafter as may be reasonably practical). This Subsection 12B shall remain in effect only for periods in which the Stock of the Corporation is publicly traded on an established securities market.

C. Payments on a Change of Control. If a Change in Control occurs on and after January 1, 2005, the immediate lump sum benefit payable to an participant pursuant to Section 4.2 above shall be limited to the participant's Grandfathered Benefit (if any) except to the extent that such Change in Control also satisfies the requirements for a Change in Control Event, as defined in Treasury Regulation 1.409A-3(i)(5), with respect to the participant.

D. Restrictions on Subsequent Elections. Except as provided in Section 4.4 of this Plan, any request or election to change the form in which the balance credited to a participant's Stock Account and or Interest Equivalent Account under this Plan is distributed filed with the Corporation on or after November 1, 2007 shall be given effect only if it satisfies the following conditions:

- (i) such request or election may not take effect until at least 12 months after the date on which the election is filed with the Corporation pursuant to Section 4.1 above; and
- (ii) in the case of any request or election to change the timing of a distribution of a participant's Accounts from this Plan (other than a benefit payable as result of the participant's death), the first payment made pursuant to such an election may not be made prior to the end of the period of 5 years from the date such payment would otherwise have been made.

E. Grandfathered Benefits. Effective for periods prior to November 1, 2007, the restrictions imposed by this Section 11 shall not apply to that portion, if any, of the distribution payable to a participant under this Plan that does not exceed the participant's Grandfathered Benefit, provided that effective on and after November 1, 2007, the participant's entire benefit under the Plan (including his Grandfathered Benefit) shall be subject to this Section 11 if the participant is eligible to file an election under Section 4.4 above.

F. Interpretation. This Section 11 has been adopted only in order to comply with the requirements added by Section 409A of the Code. This Section 11 shall be interpreted and administered in a manner consistent with the requirements of Code Section 409A, together with any regulations or other guidance which may be published by the Treasury Department or Internal Revenue Service interpreting such Section 409A. This Section 11 is not intended to restrict the operation of this Plan in any manner not necessary to avoid adverse tax consequences under such Section 409A of the Code.

**IN WITNESS WHEREOF**, Dana Corporation has executed this amended and restated Plan as of this 13<sup>th</sup> day of November, 2007.

**DANA CORPORATION**

By: /s/ R B Priory

/s/ V P Boyd  
Witness