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

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SCHEDULE 13D/A  
(Amendment No. 6)  
Under the Securities Exchange Act of 1934

-----

DANA CORPORATION  
(Name of Issuer)

Common Stock, \$1.00 Par Value Per Share  
(Title of Class of Securities)

235811106  
(CUSIP Number)

-----

with copies to:

Ken Maiman  
Appaloosa Management L.P.  
26 Main Street  
Chatham, NJ 07928  
(Name, Address and Telephone Number of Person  
Authorized to Receive Notices of Communication)

SEPTEMBER 21, 2007  
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box. [ ]

=====

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-----

CUSIP No. 235811106

13D

1 NAME OF REPORTING PERSONS

Appaloosa Investment Limited Partnership I

S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

-----

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) [ ]  
(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS  
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEM 2(d) or 2(e)

[ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware

7 SOLE VOTING POWER  
0

NUMBER OF SHARES  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON WITH

8 SHARED VOTING POWER  
11,992,500

9 SOLE DISPOSITIVE POWER  
0



1 NAME OF REPORTING PERSONS  
Palomino Fund Ltd.

S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [ ]  
(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS  
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEM 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
British Virgin Islands

7 SOLE VOTING POWER  
0

NUMBER OF SHARES  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON WITH

8 SHARED VOTING POWER  
10,507,500

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
10,507,500

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
10,507,500

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES [ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
7.00%

14 TYPE OF REPORTING PERSON  
CO

1 NAME OF REPORTING PERSONS  
Appaloosa Management L.P.

S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [ ]  
(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS  
AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEM 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware

7 SOLE VOTING POWER  
0

NUMBER OF SHARES  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON WITH

8 SHARED VOTING POWER  
22,500,000

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
22,500,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
22,500,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES [ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
14.98%

14 TYPE OF REPORTING PERSON  
PN

1 NAME OF REPORTING PERSONS  
Appaloosa Partners Inc.

S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [ ]  
(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS  
AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware

7 SOLE VOTING POWER  
0

NUMBER OF SHARES  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON WITH

8 SHARED VOTING POWER  
22,500,000

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
22,500,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
22,500,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES [ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
14.98%

14 TYPE OF REPORTING PERSON  
CO

1 NAME OF REPORTING PERSONS  
David A. Tepper

S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [ ]  
(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS  
AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEM 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
United States of America

7 SOLE VOTING POWER  
0

NUMBER OF SHARES  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON WITH

8 SHARED VOTING POWER  
22,500,000

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
22,500,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
22,500,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES [ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
14.98%

14 TYPE OF REPORTING PERSON  
IN

This Amendment No. 6 (this "Amendment") to the Schedule 13D filed on June 22, 2007 by the Reporting Persons, as amended by Amendment No. 1 thereto filed on June 29, 2007, by Amendment No. 2 thereto filed on July 19, 2007, by Amendment No. 3 thereto filed on July 23, 2007, by Amendment No. 4 thereto filed on July 26, 2007, and by Amendment No. 5 thereto filed on August 22, 2007 (as so amended, the "Schedule 13D") relates to the Common Stock of the Issuer and is being filed to amend the Schedule 13D as specifically set forth below.

The information set forth in the Exhibits to this Amendment is hereby expressly incorporated herein by reference, and the responses to each item of this Amendment are qualified in their entirety by the provisions of such Exhibits. Unless otherwise indicated, all capitalized terms shall have the meanings ascribed to them in the Schedule 13D, and unless otherwise amended hereby, all information previously filed remains in effect.

ITEM 4. IS AMENDED BY ADDING THE FOLLOWING:

On September 21, 2007, pursuant to the Order Pursuant to 11 U.S.C. Sections 1113 and 1114(e) and Federal Rule of Bankruptcy Procedure 9019, Approving Settlement Agreements with The United Steelworkers and United Autoworkers, and Pursuant to 11 U.S.C. Sections 105(a), 363(b), 364(c), 503 and 507, Authorizing the Debtors to Enter into the Plan Support Agreement, Investment Agreement and Related Agreements, dated August 1, 2007, AMLP delivered to counsel to the Issuer and to counsel to the official committee of unsecured creditors of the Issuer a final proposal letter (the "Final Proposal Letter"), together with drafts of (i) an Amended Joint Plan of Reorganization of Debtors and Debtors in Possession, (ii) a Plan Support Agreement, (iii) an Investment Agreement, (iv) a Shareholders Agreement, (v) Articles of Designation with Respect to Preferred Stock, (vi) a Series A Registration Rights Agreement, (vii) a Series B Registration Rights Agreement, and (viii) a Market Maker Agreement (such draft documents, collectively with the Final Proposal Letter, the "Final Proposal Documents"). In the Final Proposal Letter, AMLP reaffirmed the offer set forth in its prior Indication of Interest dated August 17, 2007, subject to certain modifications summarized in the Final Proposal Letter.

Copies of the Final Proposal Documents are filed with this Amendment No. 6 as Exhibits 7 through 15 to the Schedule 13D.

While the Reporting Persons do not have any current plans or proposals, except as otherwise described in the Schedule 13D, which relate to or would result in any transaction, event or action enumerated in paragraphs (a) through (j) of Item 4 of the form of Schedule 13D promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), each of the Reporting Persons reserves the right, in light of its or his ongoing evaluation of the Issuer's financial condition, business, operations and prospects, the market price of the Common Stock, conditions in the securities markets generally, general economic and industry conditions, its or his business objectives and other relevant factors, to change its or his plans and intentions at any time, as it or he deems appropriate. In particular, and without limiting the generality of the foregoing, but subject to the terms of applicable court orders, restrictions and agreements and to any limitations imposed by applicable law, including the Exchange Act, each of the Reporting Persons (and their respective affiliates) may (i) purchase additional shares of Common Stock or other securities of or claims against the Issuer, (ii) sell or transfer shares of Common Stock or other securities or claims beneficially owned by it or him from time to time in public or private

transactions and (iii) cause any of the Reporting Persons to distribute in kind to their respective stockholders, partners or members, as the case may be, shares of Common Stock or other securities or claims owned by such Reporting Persons. The Reporting Persons may seek the views of, hold discussions with, or respond to inquiries from members of the Issuer's management or Board of Directors or other persons including other stockholders, or holders of claims in the Issuer's bankruptcy proceedings, regarding the Issuer's affairs, restructuring or other strategic matters.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

Item 7 of the Schedule 13D is supplemented as follows:

Exhibit No.	Description
7	Letter from Appaloosa Management L.P. to Counsel to the Debtors and Counsel to the Official Committee of Unsecured Creditors, dated September 21, 2007
8	Draft Amended Joint Plan of Reorganization of Debtors and Debtors in Possession
9	Draft Plan Support Agreement, by and among Dana Corporation, United Steelworkers International Union, UAW, and Appaloosa
10	Draft Investment Agreement
11	Draft Shareholders Agreement
12	Draft Articles of Designation with Respect to the Preferred Stock
13	Draft Series A Registration Rights Agreement
14	Draft Series B Registration Rights Agreement
15	Draft Market Maker Agreement



SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: September 25, 2007

APPALOOSA INVESTMENT LIMITED  
PARTNERSHIP I

By: APPALOOSA MANAGEMENT L.P.,  
Its General Partner

By: APPALOOSA PARTNERS INC.,  
Its General Partner

By: /s/ David A. Tepper

-----  
Name: David A. Tepper  
Title: President

PALOMINO FUND LTD.

By: APPALOOSA MANAGEMENT L.P.,  
Its Investment Adviser

By: APPALOOSA PARTNERS INC.,  
Its General Partner

By: /s/ David A. Tepper

-----  
Name: David A. Tepper  
Title: President

APPALOOSA MANAGEMENT L.P.

By: APPALOOSA PARTNERS INC.,  
Its General Partner

By: /s/ David A. Tepper

-----  
Name: David A. Tepper  
Title: President

APPALOOSA PARTNERS INC.

By: /s/ David A. Tepper

-----  
Name: David A. Tepper  
Title: President

/s/ David A. Tepper

-----  
David A. Tepper

Appaloosa Management L.P.  
26 Main Street  
Chatham, NJ 07928

September 21, 2007

COUNSEL TO THE DEBTORS

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OF UNSECURED CREDITORS  
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Attn: Matthew Williams, Esq.  
(mjwilliams@kramerlevin.com)

Ladies and Gentlemen:

This Final Proposal is being submitted in accordance with the terms of the Order Pursuant to 11 U.S.C. Sections 1113 and 1114(e) and Federal Rule of Bankruptcy Procedure 9019, Approving Settlement Agreements with The United Steelworkers and United Autoworkers, and Pursuant to 11 U.S.C. Sections 105(a), 363(b), 364(c), 503 and 507, Authorizing the Debtors to Enter into Plan Support Agreement, Investment Agreement and Related Agreements, dated August 1, 2007 (the "Settlement Order").

Structure and Amounts of Investment or Transaction; Modified Investment Agreement and other Forms of Agreement: Appaloosa Management L.P. ("Appaloosa") is pleased to reaffirm its outstanding offer to replace Centerbridge Capital Partners, L.P. ("Centerbridge") as proposed investor as set forth in Appaloosa's Indication of Interest dated August 17, 2007 (the "Indication of Interest"), and in its letter to the Board of Directors of Dana Corporation (the

"Company") dated July 25, 2007, subject to the improvements and other modifications described herein. In summary, our proposal is substantially identical to the proposal made by Centerbridge (the "Centerbridge Proposal") as described in the Settlement Order and in the definitive agreements with respect thereto filed with the Company's current report on Form 8-K filed with the U.S. Securities and Exchange Commission on July 26, 2007 (the "Centerbridge Proposal Documents"), with the exception of certain material improvements and other modifications to the Centerbridge Proposal, which are summarized on Schedule I hereto.

As noted above, we believe that this Final Proposal is materially similar to, and an improvement upon, the Centerbridge Proposal. Accordingly, we are submitting with this Final Proposal drafts of (i) a Plan of Reorganization, (ii) an Investment Agreement, including the schedules thereto (the Company Disclosure Letter is included in the Centerbridge Proposal Documents), (iii) a Shareholders Agreement, (iv) Articles of Designation of 4.0% Series A Convertible Preferred Stock and 4.0% Series B Convertible Preferred Stock, (v) a Series A Registration Rights Agreement, (vi) a Series B Registration Rights Agreement and (vii) a Market Maker Agreement, which are marked to show changes from the corresponding Centerbridge Proposal Documents. Appaloosa is prepared to execute promptly such agreements on such modified terms, and with no due diligence or conditions other than those expressly set forth in the agreements, and is prepared to support a plan of reorganization on such modified terms. In this regard, we are also submitting with this Final Proposal a draft Plan Support Agreement, marked to show changes from the Plan Support Agreement with respect to the Centerbridge Proposal. Our Final Proposal assumes that the Plan Support Agreement and the Settlement Agreements with the United Steelworkers and United Autoworkers unions would be in place with respect to the transactions contemplated by this Final Proposal.

Changes From Indication of Interest. Except as set forth in Schedule I hereto, our Final Proposal remains substantially identical to our prior Indication of Interest.

Financing Requirements: There are no financing requirements or contingencies relating to our obligations as purchaser or standby purchaser, as the case may be, of the Series A Preferred Shares or Series B Preferred Shares. The Company's obligations to obtain exit financing shall be as set forth in Section 5.3 of the Investment Agreement under the Centerbridge Proposal.

Due Diligence: Our Final Proposal is not subject to any further due diligence investigation.

Necessary Internal Approvals: None.

Necessary External Approvals: As set forth in the Centerbridge Proposal.

Other Material Conditions: As set forth in the Centerbridge Proposal.

Additional Information: Appaloosa's current plan is for the Company to run the Company's business in accordance with management's business plan, and to thereafter evaluate the Company's performance.

Disclosure of Connections with Parties In Interest: None.

We are available to meet with you and your representatives at your earliest convenience to discuss more fully the matters set forth herein and to work toward an amicable, appropriate conclusion to Dana's chapter 11 case.

This Final Proposal shall automatically terminate if the Debtors have not submitted the proposals contained herein to the Unions prior to September 25, 2007 and/or the Unions have not approved these proposals prior to October 9, 2007.

Sincerely,

APPALOOSA MANAGEMENT L.P.

-----  
James Bolin  
Partner

SCHEDULE I

Material Differences between  
Appaloosa Final Proposal  
And Centerbridge Proposal

-----

1. Appaloosa proposes to eliminate and waive the break-up fee described in the Centerbridge Proposal.
2. Appaloosa will enhance the conversion price from .83 times Distributable Market Equity Value Per Share to .90 times Distributable Market Equity Value Per Share (as defined in the Centerbridge Proposal Documents).
3. In lieu of the limited Rule 144A offering contemplated by the Centerbridge Proposal, the right to purchase the Series B Preferred at par will be offered to all holders of allowed unsecured claims on a pro rata basis (the "Series B Rights Offering"). Any shares of Series B Preferred not purchased in the Series B Rights Offering will be purchased at par by Appaloosa and certain other entities (the "Standby Purchasers"), who shall receive a guaranteed minimum of 40% of the Series B Preferred (unless waived by Appaloosa) and a commitment fee of \$10 million as consideration for their agreement to perform the foregoing Standby Purchaser obligations.
4. Appaloosa proposes to eliminate the ceiling/floor "collar" mechanism contained in the Centerbridge Proposal.
5. Most of Appaloosa's approval rights shall be subject to being over-ridden by a 2/3 vote of common shareholders (not counting any shares held by Appaloosa), with the exception of certain specified protective approval rights which are not subject to over-ride. The approval rights not subject to over-ride relate to (i) issuance of securities that are senior to or on parity with the Series A Preferred (or Series B Preferred, if any are outstanding and owned by Appaloosa), (ii) amendments to the Company's by-laws that materially change the rights of members of the Investor Group or Qualified Purchaser Transferees or the Company's shareholders generally, or to the Charter or Articles if the amendment would adversely impact Appaloosa's rights or investment and (iii) other than the annual 4.0% dividends on the Series B Preferred, declaration and payment of dividends on stock that ranks junior to or on parity with the Series A Preferred.
6. The initial Board of Directors shall be selected as follows:
  - o Appaloosa shall select 3 directors;
  - o the UCC shall select 3 directors;
  - o one director shall be the CEO;
  - o one director shall be the new Executive Chairman (selected as described below); and
  - o one director shall be selected by the Standby Purchasers other than Appaloosa.

At least two-thirds (2/3 of the Board of Directors must be comprised of independent directors.

7. The initial Executive Chairman of the Board shall be selected by a selection committee comprised of one Appaloosa representative and one representative of the Standby Purchasers (other than Appaloosa). The Executive Chairman shall be approved by a majority vote of the Selection Committee (such majority vote to include the Appaloosa representative). Any successor Executive Chairman shall be selected by the Nominating and Governance Committee of the Board, subject to the approval of Appaloosa.
8. The Executive Chairman shall be a full-time employee of the Company with his or her principal office in the Company's world headquarters in Toledo, Ohio and shall devote substantially all of his or her business activity to the business affairs of the Company.

The Executive Chairman shall cause the Company to and the Company shall be obligated to meaningfully consult with the representatives of Appaloosa with respect to the annual budget and material modifications thereto prior to the time it is submitted to the Board for approval.

The employment agreements entered into by the Company with the Executive Chairman, the Chief Executive Officer and the Chief Financial Officer shall provide that (i) upon any termination of employment, the Executive Chairman, the Chief Executive Officer and/or the Chief Financial Officer shall resign as a director, to the extent applicable (and the employment agreements shall require delivery at the time such agreements are entered into of an executed irrevocable resignation that becomes effective on such termination) and (ii) the right to receive any payments or other benefits upon termination of employment shall be conditioned upon such resignation. If for any reason the Executive Chairman, the Chief Executive Officer or the Chief Financial Officer does not resign or the irrevocable resignation is determined to be ineffective, then the Series A Preferred Stock holders may remove the Executive Chairman, the Chief Executive Officer and/or the Chief Financial Officer as a director, subject to applicable law.

9. All of Appaloosa's approval rights shall continue until the earlier of (i) the date on which Appaloosa ceases to own Series A Preferred Shares having an aggregate liquidation preference of at least \$125 million and (ii) the third anniversary of Appaloosa's investment (as opposed to having a potentially earlier expiration date with respect to approval rights relating to (x) issuances of senior or pari passu securities and (y) declaration and payment of dividends).
10. Appaloosa proposes to include an additional closing condition to the effect that there shall not have occurred any material strike or labor stoppage or slowdown at the Company, General Motors, Chrysler, Ford Motor Company or any of their respective subsidiaries.

-----X  
 In re : Chapter 11  
 :  
 Dana Corporation, et al., : Case No. 06-10354 (BRL)  
 :  
 Debtors. : (Jointly Administered)  
 :  
 -----X

AMENDED-JOINT PLAN OF  
REORGANIZATION  
OF DEBTORS AND DEBTORS IN  
POSSESSION  
-----

JONES DAY  
222 East 41st Street  
New York, New York 10017  
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Facsimile: (212) 755-7306  
Corinne Ball (CB 8203)  
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-AND-

JONES DAY  
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JONES DAY  
1420 Peachtree Street, N.E.  
Suite 800  
Atlanta, Georgia 30309-3053  
Telephone: (404) 521-3939  
Facsimile: (404) 581-8330  
Jeffrey B. Ellman (JE 5638)

Attorneys for Debtors and  
Debtors in Possession

\_\_\_\_\_, 2007

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## INTRODUCTION

Dana Corporation, a Virginia corporation, and the other above-captioned debtors and debtors in possession (collectively, as further defined below, the "Debtors") propose the following joint plan of reorganization for the resolution of the outstanding claims against and equity interests in the Debtors. The Debtors are the proponents of the Plan (as such term is defined below) within the meaning of section 1129 of the Bankruptcy Code (as such term is defined below). Reference is made to the Debtors' Disclosure Statement (as such term is defined below), distributed contemporaneously with the Plan, for a discussion of the Debtors' history, business, results of operations, historical financial information, projections and properties and for a summary and analysis of the Plan. Other agreements and documents supplement the Plan and have been or will be filed with the Bankruptcy Court (as such term is defined below). These supplemental agreements and documents are referenced in the Plan and the Disclosure Statement and will be available for review.

### ARTICLE I. DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME

#### A. DEFINED TERMS

As used in the Plan, capitalized terms have the meanings set forth below. Any term that is not otherwise defined herein, but that is used in the Bankruptcy Code or the Bankruptcy Rules (as each such term is defined below), will have the meaning given to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable.

1. "5.85% Bonds" means the unsecured notes issued under the 5.85% Bonds Indenture.

2. "5.85% Bonds Indenture" means the Indenture for Senior Securities between Dana, as Issuer, and Citibank, N.A., as Trustee, dated December 10, 2004, relating to the \$450 million 5.85% Notes due January 15, 2015, as the same may have been subsequently modified, amended or supplemented, together with all instruments and agreements related thereto.

3. "5.85% Bond Claim" means a Claim against a Debtor under or evidenced by a 5.85% Bond.

4. "6.5% and 7% Bonds" means the unsecured notes issued under the 6.5% and 7% Bonds Indenture.

5. "6.5% and 7% Bonds Indenture" means the Indenture for Senior Securities between Dana, as Issuer, and Citibank, N.A., as Trustee, dated December 15, 1997, relating to the (a) \$350 million 6.5% Notes due March 1, 2009, (b) \$400 million 7% Notes due March 1, 2029, (c) \$150 million 6.5% Notes due March 15, 2008 and (d) \$200 million 7% Notes due March 15, 2028, as the same may have been subsequently modified, amended or supplemented, together with all instruments and agreements related thereto.

6. "6.5% and 7% Bond Claim" means a Claim against a Debtor under or evidenced by a 6.5% and 7% Bond.

7. "9% Bonds" means the unsecured notes issued under the 9% Bonds Indenture.

8. "9% Bonds Indenture" means the Indenture between Dana, as Issuer, and Citibank, N.A., as Trustee, Registrar and Paying Agent for the Dollar Securities, and Citibank, N.A., London Branch, as Registrar and Paying Agent for the Euro Securities, dated August 8, 2001, relating to the (a) \$575 million 9% Notes due August 15, 2011 and (b)(euro)200 9% Notes due August 15, 2011, as the same may have been subsequently modified, amended or supplemented, together with all instruments and agreements related thereto.

9. "9% Bond Claim" means a Claim against a Debtor under or evidenced by a 9% Bond.

10. "10.125% Bonds" means the unsecured notes issued under the 10.125% Bonds Indenture.

11. "10.125% Bonds Indenture" means the Indenture between Dana, as Issuer, and Citibank, N.A., as Trustee, Registrar and Paying Agent, dated March 11, 2002, relating to the \$250 million 10.125% Notes due March 15, 2010, as the same may have been subsequently modified, amended or supplemented, together with all instruments and agreements related thereto.

12. "10.125% Bond Claim" means a Claim against a Debtor under or evidenced by a 10.125% Bond.

13. "Ad Hoc Bondholders' Committee" means the ad hoc committee of holders of Bonds represented by Stroock & Stroock & Lavan LLP.

14. "Ad Hoc Steering Committee" means DK Partners; Dune Capital Management, LP; Franklin Mutual Advisers; and Silver Point Capital LP or, if any of the aforementioned parties are no longer Bondholders, the four largest Bondholders that have executed appropriate confidentiality agreements with the Debtors and who are members of the Ad Hoc Bondholders' Committee.

15. "Administrative Claim" means a Claim against a Debtor or its Estate arising on or after the Petition Date and prior to the Effective Date for a cost or expense of administration in the Chapter 11 Cases that is entitled to priority or superpriority under sections 364(c)(1), 503(b), 503(c), 507(b) or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the Estates and operating the businesses of the Debtors (such as wages, salaries, commissions for services and payments for inventories, leased equipment and premises); (b) Claims under the DIP Credit Agreement; (c) compensation for legal, financial advisory, accounting and other services and reimbursement of expenses awarded or allowed under sections 330(a) or 331 of the Bankruptcy Code, including Fee Claims; (d) any Allowed Claims for reclamation under section 546(c)(1) of the Bankruptcy Code; (e) Claims, pursuant to section 503(b)(9) of the Bankruptcy Code, for the value of goods received by the Debtors in the 20 days immediately prior to the Petition Date and sold to the Debtors in the ordinary course of the Debtors' businesses; (f) all fees and charges assessed against the Estates under chapter 123 of title 28, United States Code, 28 U.S.C. Sections 1911-1930; (g) any Claims entitled to administrative priority under the Union Settlement Agreements as approved by the Global Settlement Order; (h) any Claims of Centerbridge entitled to superpriority under the Old Investment Agreement as approved by the Global Settlement Order; (i) any Claims of Appaloosa and the Standby Purchasers arising under the Appaloosa Investment Agreement as approved by the Appaloosa Approval Order; and (j) all Postpetition Intercompany Claims other than Postpetition Intercompany Claims entered into a Debtor's "intercompany equity" account for internal accounting purposes after the close of 2006.

16. "ADR Order" means the Order, Pursuant to Sections 105 and 502 of the Bankruptcy Code and Bankruptcy Rules 3007 and 9019, Approving Alternative Dispute Resolution Procedures to Promote the Resolution of Certain Prepetition Claims (Docket No. 5372), entered by the Bankruptcy Court on May 23, 2007, as it may be amended or supplemented from time to time.

17. "ADR Procedures" means the alternative dispute resolution procedures approved by the ADR Order.

18. "Affiliate" means any Person that, directly or indirectly, through one or more intermediaries, Controls, is Controlled by or is under Common Control with, another Person; provided that, Appaloosa is not to be considered an Affiliate of Dana.

19. "Allowed...Claim" or "Allowed...Interest" means an Allowed Claim or Allowed Interest, as the case may be, in the particular Class or category specified.

20. "Allowed Claim" when used:

a. with respect to any Claim other than an Administrative Claim, means a Claim that is not a Disallowed Claim and:

(i)(A) is listed on a Debtor's Schedules and not designated in the Schedules as either disputed, contingent or unliquidated and (B) is not otherwise a Disputed Claim;

(ii)(A) as to which no objection to allowance has been interposed on or before the Claims Objection Bar Date or such other applicable period of limitation fixed by the Plan, the Confirmation Order, the Bankruptcy Rules or a Final Order for objecting to such Claims and (B) is not otherwise a Disputed Claim; or

(iii) that is allowed: (A) in any Stipulation of Amount and Nature of Claim executed by the applicable Claim holder on or after the Effective Date, (B) in any contract, instrument or other agreement entered into in connection with the Plan and, if prior to the Effective Date, approved by the Bankruptcy Court, (C) pursuant to a Final Order or (D) pursuant to the terms of the Plan; and

b. with respect to an Administrative Claim, means an Administrative Claim that is not a Disallowed Claim and:

(i)(A) as to which no objection to allowance has been interposed on or before the Claims Objection Bar Date or such other applicable period of limitation fixed by the Plan, the Confirmation Order, the Bankruptcy Rules or a Final Order for objecting to such Claims and (B) is not otherwise a Disputed Claim; or

(ii) that is allowed: (A) in any Stipulation of Amount and Nature of Claim executed by the applicable Claim holder on or after the Effective Date, (B) in any contract, instrument or other agreement entered into in connection with the Plan and, if prior to the Effective Date, approved by the Bankruptcy Court, (C) pursuant to a Final Order or (D) pursuant to Section II.A.1.

21. "Allowed Interest" means an Interest registered in the stock register, membership interest register or any similar register or schedule maintained by or on behalf of a Debtor as of the Distribution Record Date and not timely objected to or that is allowed by a Final Order.

22. "Appaloosa" means Appaloosa Management L.P., its affiliates and successors and assigns under the Appaloosa Investment Agreement.

23. "Appaloosa Approval Order" means the Order Authorizing the Debtors to Enter Into the Appaloosa Plan Support Agreement, the Appaloosa Investment Agreement and Related Agreements, entered \_\_\_\_\_ 1, 2007 (Docket No. [\_\_\_\_]), and the exhibits thereto.

24. "Appaloosa Investment Agreement" means, collectively, the Investment Agreement by and between Dana and Appaloosa, dated \_\_\_\_\_, 2007, and the exhibits thereto, approved by the Appaloosa Approval Order,

25. "Appaloosa Plan Support Agreement" means, collectively, the Plan Support Agreement among Dana, Appaloosa, the Unions and certain holders of General Unsecured Claims, dated as of \_\_\_\_\_, 2007, and the exhibits thereto, approved by the Appaloosa Approval Order, as it may be further amended, modified or supplemented.

26. "Asbestos Personal Injury Claim" means any Claim, remedy, liability or demand, held by or asserted on behalf of an individual, now existing or hereafter arising against any Debtor, whether or not such Claim, remedy, liability or demand is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, whether or not the facts of or legal bases therefor are known or unknown, under any theory of law, equity, admiralty or otherwise (including piercing the corporate veil, alter ego and similar theories), for death, bodily injury, sickness, disease, medical monitoring or other personal injuries (whether physical, emotional or otherwise) to the extent allegedly arising out of or based on, directly or indirectly, in whole or in part, the presence of or exposure to asbestos or asbestos-containing products or things that were installed, engineered, designed, manufactured, fabricated, constructed, sold, supplied, produced, specified, selected, distributed, released, marketed, serviced, maintained, repaired, purchased, owned, occupied, used, removed, replaced or disposed of by any Debtor or an entity for whose products or operations any Debtor allegedly



has liability or for which any Debtor is otherwise allegedly liable, including any Claim, remedy, liability or demand for compensatory damages (such as loss of consortium, lost wages or other opportunities, wrongful death, medical monitoring, survivorship, proximate, consequential, general and special damages) or punitive damages related thereto, and any Claim under any settlement entered into by or on behalf of any Debtor prior to or after the Petition Date of an Asbestos Personal Injury Claim. Asbestos Personal Injury Claim does not include (a) a workers' compensation claim brought directly by a past or present employee of any Debtor under an applicable workers' compensation statute or (b) a Claim for indemnity, contribution or reimbursement asserted on account of an Asbestos Personal Injury Claim (as such term is defined in the preceding sentence) by entities other than the allegedly injured individual.

27. "Assets" means all of a Debtor's property, rights and interest that are property of a Debtor's Estate pursuant to section 541 of the Bankruptcy Code.

28. "Ballot" means the form or forms distributed to each holder of an impaired Claim or Interest entitled to vote on the Plan on which the holder indicates either acceptance or rejection of the Plan and (when applicable) any election for treatment of such Claim or Interest under the Plan.

29. "Bankruptcy Code" means title 11 of the United States Code, as now in effect or hereafter amended, as applicable to these Chapter 11 Cases.

30. "Bankruptcy Court" means the United States District Court having jurisdiction over the Chapter 11 Cases and, to the extent of any reference made pursuant to 28 U.S.C. Section 157, the bankruptcy unit of such District Court.

31. "Bankruptcy Rules" means, collectively, the Federal Rules of Bankruptcy Procedure and the local rules of the Bankruptcy Court, as now in effect or hereafter amended.

32. "Bar Date" means the applicable bar date by which a proof of Claim must be, or must have been, Filed, as established by an order of the Bankruptcy Court, including a Bar Date Order and the Confirmation Order.

33. "Bar Date Order" means any order of the Bankruptcy Court establishing Bar Dates for Filing proofs of Claim in the Chapter 11 Cases, including the Order Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof, entered on July 19, 2006 (Docket No. 2073), as the same may be amended, modified or supplemented.

34. "Bondholder" means a holder of a Bondholder Claim.

35. "Bondholder Claim" means any Claim against a Debtor under or evidenced by a Bond.

36. "Bonds" means, collectively: (a) the 5.85% Bonds; (b) the 6.5% and 7% Bonds; (c) the 9% Bonds; and (d) the 10.125% Bonds.

37. "Business Day" means any day, other than a Saturday, Sunday or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

38. "Case Management Order" means the Amended Administrative Order, Pursuant to Rule 1015(c) of the Federal Rules of Bankruptcy Procedure, Establishing Case Management and Scheduling Procedures (Docket No. 574), entered on March 23, 2006, as it may be amended from time to time.

39. "Cash" means legal tender of the United States of America and equivalents thereof.

40. "Cash Investment Yield" means the net yield earned by the applicable Disbursing Agent from the investment of Cash held pending distribution pursuant to the Plan (including any Cash received by the Disbursing Agent on account of dividends and other distributions on the Reserved Shares), which investment will be in a manner consistent with Dana's investment and deposit guidelines.

41. "Catch-Up Distribution" means: (a) with respect to each holder of an Allowed Claim in Classes 5B, 5C, 5D, 5E and 5F that was previously a Disputed Claim, the amount of Reserved Shares and Reserved Excess Minimum Cash equal to the aggregate amount of any (i) Distributable Shares of New Dana Holdco Common Stock, (ii) Distributable Excess Minimum Cash, (iii) Reserved Shares and (iv) Reserved Excess Minimum Cash (if any) that such holder would have received if its Claim had been an Allowed Claim on the Effective Date and each Periodic Distribution Date preceding the date the Claim became Allowed; and (b) with respect to each holder of an Allowed Claim in Class 7B that was previously a Disputed Claim, the amount of Reserved Shares and Reserved Excess Minimum Cash equal to the aggregate amount of any Reserved Shares and Reserved Excess Minimum Cash (if any) that such holder would have received if its Claim had been an Allowed Claim on the Periodic Distribution Date upon which (i) all Disputed Claims in Classes other than Class 7B entitled to distributions were resolved and (ii) all distributions to which the holders of such Claims were entitled pursuant to the terms of the Plan were made from the Disputed Unsecured Claims Reserve.

42. "CBP" means CBP Parts Acquisition Co. LLC, one of the New Equity Investors.

43. "Centerbridge" means Centerbridge Capital Partners, L.P.

44. "Chapter 11 Cases" means, collectively, the cases commenced under chapter 11 of the Bankruptcy Code by the Debtors in the Bankruptcy Court.

45. "Claim" means a claim (as defined in section 101(5) of the Bankruptcy Code) against a Debtor.

46. "Claims Objection Bar Date" means, for all Claims, including Claims asserting priority under section 503(b)(9) of the Bankruptcy Code, other than Allowed Claims, the latest of: (a) 150 days after the Effective Date, subject to extension by order of the Bankruptcy Court; (b) 90 days after the Filing of a proof of Claim for such Claim; and (c) such other period of limitation as may be specifically fixed by the Plan, the Confirmation Order, the Bankruptcy Rules or a Final Order for objecting to such a Claim.

47. "Class" means a class of Claims or Interests, as described in Article II.

48. "Confirmation" means the entry of the Confirmation Order on the docket of the Bankruptcy Court.

49. "Confirmation Date" means the date on which the Bankruptcy Court enters the Confirmation Order on its docket, within the meaning of Bankruptcy Rules 5003 and 9021.

50. "Confirmation Exhibits" means, collectively, the documents listed on the "Table of Exhibits" included herein, which documents will be Filed no later than five days before the Confirmation Hearing, to the extent not filed earlier. All Confirmation Exhibits will be made available on the Document Websites once they are Filed. The Debtors reserve the right, in accordance with the terms hereof, to modify, amend, supplement, restate or withdraw any of the Confirmation Exhibits after they are Filed and shall promptly make such changes available on the Document Websites.

51. "Confirmation Hearing" means the hearing held by the Bankruptcy Court on Confirmation of the Plan, as such hearing may be continued from time to time.

52. "Confirmation Order" means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

53. "Consolidated Debtors" means, collectively, all of the Debtors other than EFMG.

54. "Control," "Controlled by" and "under Common Control with" means possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

55. "Convenience Claims" means General Unsecured Claims against any of the Consolidated Debtors that otherwise would be classified in Class 5F, but, with respect to each such Claim, either (a) the amount of such Claim is equal to or less than \$5,000 or (b) is reduced to \$5,000 pursuant to an election by the Claim holder made on the Ballot provided for voting on the Plan by the Voting Deadline.

56. "Creditor Oversight Committee" means the committee established pursuant to Section V.G to oversee the unsecured claims reconciliation process and direct the Disbursing Agent or Third Party Disbursing Agent, as applicable, with respect to distributions under the Plan to Classes 5B, 5C, 5D, 5E and 5F, the membership of which shall be chosen by the Creditors' Committee in consultation with the Debtors.

57. "Creditor Oversight Committee Agreement" means the agreement, which shall be in form and substance reasonably acceptable to the Creditors' Committee, the Debtors, the Reorganized Debtors and Appaloosa, establishing the terms governing the Creditor Oversight Committee, substantially in the form of Exhibit I.A.56.

58. "Creditors' Committee" means the statutory official committee of unsecured creditors appointed by the United States Trustee in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code, as such appointment has been subsequently modified.

59. "Creditors' Committee Website" means the internet site address <http://www.danacreditorcommittee.com> at which all of the exhibits and schedules to the Plan and the Disclosure Statement will be available to creditors of the Debtors.

60. "Cure Amount Claim" means a Claim based upon a Debtor's defaults under an Executory Contract or Unexpired Lease at the time such contract or lease is assumed by such Debtor under section 365 of the Bankruptcy Code to the extent required by section 365 of the Bankruptcy Code.

61. "Dana" means Debtor Dana Corporation.

62. "DCC" means Dana Credit Corporation, a Delaware corporation and a non-debtor affiliate of the Debtors.

63. "DCC Bonds" means the: (a) \$8.0 million 7.18% notes due April 8, 2006; (b) \$12.0 million 6.93% notes due April 8, 2006; (c) \$30.0 million 7.91% notes due August 16, 2006; (d) \$30.0 million 6.88% notes due August 28, 2006; (e) \$275.0 million 8.375% notes due August 15, 2007; and (f) \$37.0 million 6.59% notes due December 1, 2007.

64. "DCC Claim" means the \$325 million General Unsecured Claim against Dana, Allowed pursuant to the Order Approving Settlement Agreement among the Debtors and Dana Credit Corporation (Docket No. 4199), entered on November 30, 2006.

65. "Debtors" means, collectively, the above-captioned debtors and debtors in possession identified on Exhibit I.A.65.

66. "Derivative Claim" means a claim (as defined in section 101(5) of the Bankruptcy Code) or cause of action that is the property of any of the Debtors' Estates pursuant to section 541 of the Bankruptcy Code, including, without limitation, those claims and causes of action asserted in *Staehr v. Burns et al.*, Civil Action No. 3:06-cv-07069-JGC, N.D. Ohio (2006) and *Casden v. Burns et al.*, Civil Action No. 3:06-cv-07068-JGC, N.D. Ohio (2006).

67. "DIP Credit Agreement" means, collectively: (a) the Senior Secured Superpriority Debtor-In-Possession Credit Agreement among Dana (as borrower), the other Debtors (as guarantors), Citicorp North America, Inc., as administrative agent, Bank of America, N.A. and JPMorgan Chase Bank, N.A., as co-syndication agents, and Citigroup Capital Markets Inc., J.P. Morgan Securities Inc. and Banc of America Securities LLC, as Joint Lead Arrangers and Joint Bookrunners, and the other lenders party thereto; (b) all

amendments thereto and extensions thereof; and (c) all security agreements and instruments related to the documents identified in (a) and (b).

68. "DIP Lender Claim" means any Claim against a Debtor under or evidenced by (a) the DIP Credit Agreement and (b) the Final DIP Order.

69. "DIP Lenders" means, collectively: (a) those entities identified as "Lenders" in the DIP Credit Agreement and their respective permitted successors and assigns (solely in their capacity as "Lenders" under the DIP Credit Agreement); and (b) any agent bank named therein (solely in its capacity as agent bank under the DIP Credit Agreement).

70. "Disallowed," when used with respect to a Claim, means a Claim that has been disallowed by a Final Order.

71. "Disbursing Agent" means any Reorganized Debtor in its capacity as disbursing agent pursuant to Section VI.B, the Indenture Trustee or any Third Party Disbursing Agent.

72. "Disclosure Statement" means the disclosure statement (including all exhibits and schedules thereto or referenced therein) that relates to the Plan and has been prepared and distributed by the Debtors, as plan proponents, as approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code, as the same may be amended, modified or supplemented.

73. "Disputed Claim" means:

a. a Claim that is listed on a Debtor's Schedules as either disputed, contingent or unliquidated;

b. a Claim that is listed on a Debtor's Schedules as other than disputed, contingent or unliquidated, but the nature or amount of the Claim as asserted by the holder varies from the nature or amount of such Claim as it is listed on the Schedules;

c. a Claim that is not listed on a Debtor's Schedules;

d. a Claim as to which the applicable Debtor or Reorganized Debtor, or, prior to the Confirmation Date, any other party in interest, has Filed an objection by the Claims Objection Bar Date and such objection has not been withdrawn or denied by a Final Order;

e. a Claim for which a proof of Claim or request for payment of Administrative Claim is required to be Filed under the Plan and no such proof of Claim or request for payment of Administrative Claim is timely filed; or

f. a Tort Claim.

74. "Disputed Insured Claim" and "Disputed Uninsured Claim" mean, respectively, an Insured Claim or an Uninsured Claim that is also a Disputed Claim.

75. "Disputed Unsecured Claims Reserve" means the reserve of Disputed Unsecured Claims Reserve Assets, which reserve (a) will maintain the Disputed Unsecured Claims Reserve Assets in trust for Pro Rata distribution to holders of Disputed Claims that become Allowed Claims in Classes 5B, 5C, 5D, 5E and 5F pursuant to the terms of the Plan and (b) will not constitute property of the Reorganized Debtors.

76. "Disputed Unsecured Claims Reserve Assets" means (a) the Reserved Shares, (b) any Reserved Excess Minimum Cash, (c) any Cash dividends or other distributions received by the Disbursing Agent on account of the Reserved Shares and (d) any related Cash Investment Yield.

77. "Distributable Excess Minimum Cash" means the Excess Minimum Cash, less the Reserved Excess Minimum Cash, to be distributed Pro Rata on the Effective Date to holders of Allowed Claims in Classes 5B, 5C, 5D, 5E and 5F that are not Disputed Claims as of the Effective Date pursuant to the terms of the Plan.

78. "Distributable Shares of New Dana Holdco Common Stock" means the shares of New Dana Holdco Common Stock issued on the Effective Date, less (a) the Reserved Shares and (b) the Emergence Shares, to be distributed Pro Rata on the Effective Date to holders of Allowed Claims in Classes 5B, 5C, 5D, 5E and 5F that are not Disputed Claims as of the Effective Date pursuant to the terms of the Plan.

79. "Distribution Record Date" means the close of business on the Confirmation Date.

80. "Document Websites" means (a) the internet site address <http://www.dana.bmcgroup.com> at which all of the Exhibits and schedules to the Plan and the Disclosure Statement will be available to any party in interest and the public; and (b) the Creditors' Committee Website.

81. "Effective Date" means a day, as determined by the Debtors, that is the Business Day as soon as reasonably practicable after all conditions to the Effective Date in Section IV.B have been met or waived in accordance with Section IV.C.

82. "EFMG" means EFMG LLC, a Virginia limited liability company and one of the Debtors.

83. "Eligible General Unsecured Claim" means a General Unsecured Claim that is an Allowed Claim as of the Rights Offering Record Date or estimated pursuant to section 502(c) of the Bankruptcy Code and Rule 3018 of the Bankruptcy Rules for the purpose of participating in the Rights Offering as of the Rights Offering Record Date.

84. "Eligible Holder" means the holder of an Eligible Unsecured Claim.

85. "Emergence Shares" means, collectively, the Union Emergence Shares and the Non-Union Emergence Shares.

86. "ERISA" means the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. Sections 1301-1461.

87. "Estate" means, as to each Debtor, the estate created for such Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

88. "Excess Minimum Cash" means Cash in excess of (a) the minimum Cash required by the Reorganized Debtors to operate their businesses on the Effective Date and thereafter plus (b) the amount of Cash needed, pursuant to the terms of the Plan, to satisfy all (i) Allowed Secured Claims, Allowed DIP Lender Claims, Allowed Administrative Claims, Allowed Priority Tax Claims, Allowed Priority Claims and Allowed Claims in Classes 4, 5A, 6B and 6C and (ii) Secured Claims, DIP Lender Claims, Administrative Claims, Priority Tax Claims, Priority Claims or Claims in Classes 4, 5A 6B and 6C that (A) are Disputed Claims and (B) may become Allowed Claims after the Effective Date plus (c) the amount of Cash needed to satisfy the Remaining Non-Union Retiree VEBA Contribution, the USW Union Retiree VEBA Contribution and the UAW Union Retiree VEBA Contribution.

89. "Exchange Act" means the Securities Exchange Act of 1934, as amended.

90. "Executory Contract or Unexpired Lease" means a contract or lease to which a Debtor is a party that is subject to assumption, assumption and assignment or rejection under section 365 of the Bankruptcy Code and includes any modifications, amendments, addenda or supplements thereto or restatements thereof.

91. "Exit Facility" means a senior secured credit facility that: (a) includes (i) funded commitments not to exceed \$1.5 billion and (ii) unfunded commitments; and (b) will be entered into by the Reorganized Debtors, the

Exit Facility Agent and the other financial institutions party thereto on the Effective Date on substantially the terms set forth on Exhibit I.A.91.

92. "Exit Facility Agent" means the agent under the Exit Facility.

93. "Face Amount" means:

a. when used with reference to a Disputed Insured Claim, either (i) the full stated amount claimed by the holder of such Claim in any proof of Claim Filed by the Bar Date, or otherwise deemed timely Filed under applicable law, if the proof of Claim specifies only a liquidated amount; (ii) if no proof of Claim is Filed by the Bar Date or otherwise deemed timely filed under applicable law, the full amount of the Claim listed on the Debtors' Schedules, provided that such amount is not listed as disputed, contingent or unliquidated; or (iii) the applicable deductible under the relevant insurance policy, minus any reimbursement obligations of the applicable Debtor to the insurance carrier for sums expended by the insurance carrier on account of such Claim (including defense costs), if such amount is less than the amount specified in (i) or (ii) above or the proof of Claim specifies an unliquidated amount; and

b. when used with reference to a Disputed Uninsured Claim, either (i) the full stated amount claimed by the holder of such Claim in any proof of Claim Filed by the Bar Date or otherwise deemed timely Filed under applicable law, if the proof of Claim specifies only a liquidated amount or (ii) the amount of the Claim (A) acknowledged by the applicable Debtor, Reorganized Debtor or, prior to the Effective Date, the Creditors' Committee in conjunction with the Debtors in any objection Filed to such Claim, (B) estimated by the Bankruptcy Court for such purpose pursuant to section 502(c) of the Bankruptcy Code or (C) proposed by the Debtors or Reorganized Debtors if no proof of Claim has been Filed by the Bar Date or has otherwise been deemed timely Filed under applicable law or if the proof of Claim specifies an unliquidated amount (in whole or in part).

94. "Federal Judgment Rate" means the federal post-judgment interest rate, as established by 28 U.S.C. Section 1961(a), of 4.74% on the Petition Date.

95. "Fee Claim" means a Claim under sections 328, 330(a), 331, 503 or 1103 of the Bankruptcy Code for compensation of a Professional or other entity for services rendered or expenses incurred in the Chapter 11 Cases.

96. "Fee Order" means the Order, Pursuant to Sections 105(a) and 331 of the Bankruptcy Code, Bankruptcy Rule 2016(a) and Local Bankruptcy Rule 2016-1, Establishing Procedures for Interim Monthly Compensation for Professionals (Docket No. 732), entered by the Bankruptcy Court on March 29, 2006.

97. "File," "Filed" or "Filing" means file, filed or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.

98. "Final DIP Order" means the Final Order (I) Authorizing Debtors to (A) Obtain Postpetition Secured Financing Pursuant to 11 U.S.C. Sections 105(a), 361, 362, 363, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1), 364(e) and 507 and Fed. R. Bankr. P. 2002, 4001 and 9014 and (B) Utilize Cash Collateral Pursuant to 11 U.S.C. Section 363, and (II) Granting Adequate Protection to Prepetition Secured Parties Pursuant to 11 U.S.C. Sections 361, 362, 363 and 364 (Docket No. 721), entered by the Bankruptcy Court on March 29, 2006.

99. "Final Distribution Date" means the date that is 90 days after all Disputed Claims have been resolved (or as soon as reasonably practicable thereafter), which shall be the date a final distribution is made under this Plan.

100. "Final Order" means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in the Chapter 11 Cases or the docket of any other court of competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or petition for certiorari or move for a new trial, reargument or rehearing has expired, and as to which no appeal or petition for certiorari or other proceeding for a new trial, reargument or rehearing that has been timely taken is pending, or as to

which any appeal that has been taken or any petition for certiorari that has been timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument or rehearing shall have been denied or resulted in no modification of such order.

101. "General Unsecured Claim" means any Claim that is not an Administrative Claim, Secured Claim, Cure Amount Claim, Priority Claim, Priority Tax Claim, Section 510(b) Old Common Stock Claim, Asbestos Personal Injury Claim, DCC Claim, Prepetition Intercompany Claim and the Union Claim. For the avoidance of doubt, General Unsecured Claims include but are not limited to (a) all Liabilities related to real property not owned or leased by the Debtors as of the Petition Date, (b) Bondholder Claims and (c) the Unions' potential \$908 million Claim against the Debtors under Appendix R to the Union Settlement Agreements.

102. "Global Settlement" means the settlement among the Debtors, the Unions, certain Bondholders, and initially involving Centerbridge and CBP and thereafter Appaloosa, documented in the Union Settlement Agreements, the Old Plan Support Agreement, the Old Investment Agreement, the Appaloosa Plan Support Agreement, the Appaloosa Investment Agreement and their respective exhibits and appendices.

103. "Global Settlement Order" means the Order Pursuant to 11 U.S.C. Sections 1113 and 1114(E) and Federal Rule of Bankruptcy Procedure 9019, Approving Settlement Agreements with the United Steelworkers and United Autoworkers, and Pursuant to 11 U.S.C. Sections 105(A), 363(B), 364(C), 503 and 507, Authorizing the Debtors to Enter Into Plan Support Agreement, Investment Agreement and Related Agreements, entered August 1, 2007 (Docket No. 5879), and the exhibits thereto.

104. "Indenture Trustee" means Wilmington Trust Company, as indenture trustee under the Indentures.

105. "Indentures" means, collectively: (a) the 6.5% and 7% Bonds Indenture; (b) the 9% Bonds Indenture; (c) the 10.125% Bonds Indenture; and (d) the 5.85% Bonds Indenture.

106. "Independent Director" means a director of New Dana Holdco who qualifies as an "independent director" of New Dana Holdco under (a) NYSE Rule 303(A)(2) or (b) if New Dana Holdco is listed or quoted on another securities exchange or quotation system that has an independence requirement, the comparable rule or regulation of such securities exchange or quotation system on which the New Dana Holdco Common Stock is listed or quoted (whether by final rule or otherwise). In addition, in order for a director designated by Appaloosa to be deemed to be an "Independent Director," such director would also have to be considered an "independent director" of Appaloosa under NYSE Rule 303(A)(2), assuming for this purpose that (a) such director were a director of Appaloosa (whether or not such director actually is or has been a director of Appaloosa) and (b) Appaloosa is deemed to be a NYSE listed company.

107. "Insured Claim" means any Claim arising from an incident or occurrence alleged to have occurred prior to the Effective Date that is covered under an insurance policy applicable to the Debtors or their businesses.

108. "Intercompany Claim" means any Claim by any Debtor against another Debtor.

109. "Interest" means the rights and interests of the holders of the Old Common Stock of any Debtor, any other instruments evidencing an ownership interest in a Debtor and the rights of any entity to purchase or demand the issuance of any of the foregoing, including: (a) redemption, conversion, exchange, voting, participation and dividend rights (including any rights in respect of accrued and unpaid dividends); (b) liquidation preferences; and (c) stock options and warrants.

110. "Liabilities" means any and all claims, obligations, suits, judgments, damages, demands, debts, rights, Recovery Actions, Derivative Claims, causes of action and liabilities, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, arising in law, equity or otherwise, that are based in whole or in part on any act, event, injury, omission, transaction, agreement, employment, exposure or other occurrence taking place on or prior to the Effective Date.

111. "Minimum Emergence Liquidity" means, as of the Effective Date, the sum, after giving effect to all Cash distributions to be made on the Effective Date pursuant to the Plan, of (a) Cash and Cash equivalents of the Debtors and their subsidiaries and (b) unused commitments under the Exit Facility.

112. "New Dana Holdco" means [\_\_\_\_\_], a Delaware corporation.

113. "New Dana Holdco Common Stock" means the shares of common stock, \$0.01 par value per share, of New Dana Holdco, authorized pursuant to the certificate of incorporation of New Dana Holdco, of which up to 100,000,000 shares shall be initially issued pursuant to the Plan as of the Effective Date.

114. "New Equity Investment" means the \$750,000,000 investment to be made by the New Equity Investors on the Effective Date in connection with the purchase of New Preferred Stock, pursuant to and in accordance with the Appaloosa Investment Agreement.

115. "New Equity Investors" means, individually and collectively, Appaloosa, the Standby Purchasers and the Eligible Holders who exercise a Right, each of whom have agreed to purchase the New Preferred Stock pursuant to and in accordance with the Appaloosa Investment Agreement.

116. "New Preferred Stock" means, collectively, the New Series A Preferred Stock and the New Series B Preferred Stock.

117. "New Series A Preferred Stock" means, collectively, the 2,500,0000 shares of 4.0% series A convertible preferred stock, \$0.01 par value per share, of New Dana Holdco, authorized pursuant to the certificate of incorporation (or comparable constituent documents) and certificate of designations of New Dana Holdco.

118. "New Series B Preferred Stock" means, collectively, the 5,000,000 shares of 4.0% Series B convertible preferred stock, \$0.01 par value per share, of New Dana Holdco, authorized pursuant to the certificate of incorporation (or comparable constituent documents) and certificate of designations of New Dana Holdco.

119. "Non-Union Emergence Shares" means [\_\_\_\_\_].

120. "Non-Union Retiree Settlement Order" means the Stipulation and Agreed Order Between Dana Corporation and the Official Committee of Non-Union Retirees (Docket No. 5356), entered by the Bankruptcy Court on May 22, 2007.

121. "Non-Union Retiree VEBA" means the voluntary employees' beneficiary association established pursuant to the Non-Union Retiree Settlement Order.

122. "Notice Parties" means (a) prior to the Effective Date, the Debtors, the Creditors' Committee, Appaloosa and the Unions; and (b) on or after the Effective Date, the Reorganized Debtors, the Creditor Oversight Committee, Appaloosa and the Unions.

123. "NYSE" means the New York Stock Exchange.

124. "NYSE Rule 303(A)(2)" means New York Stock Exchange Rule 303A(2), as such rule may be amended, supplemented or replaced from time to time.

125. "Official Committees" means, collectively, the Creditors' Committee and the Retiree Committee.

126. "Old Common Stock" means, when used with reference to a particular Debtor, the common stock, membership interests, partnership interests or other capital stock issued by such Debtor and outstanding immediately prior to the Petition Date, and any options, warrants or other rights with respect thereto.



127. "Old Investment Agreement" means, collectively, the Investment Agreement by and between Dana and Centerbridge and CBP, dated July 26, 2007, and the exhibits thereto, approved by the Global Settlement Order, which agreement has been superseded by the Appaloosa Investment Agreement.

128. "Old Plan Support Agreement" means, collectively, the Amended Plan Support Agreement among Dana, Centerbridge, the Unions and certain holders of General Unsecured Claims, dated as of July 26, 2007, and the exhibits thereto, approved by the Global Settlement Order, as it may be further amended, modified or supplemented.

129. "Ordinary Course Professionals Order" means the Order, Pursuant to Sections 105(a), 327, 328 and 330 of the Bankruptcy Code and Bankruptcy Rule 2014(a), Authorizing Debtors and Debtors in Possession to Retain, Employ and Pay Certain Professionals in the Ordinary Course of Their Businesses (Docket No. 76), entered by the Bankruptcy Court on March 6, 2006.

130. "PBGC" means the Pension Benefit Guaranty Corporation, a wholly-owned United States government corporation and an agency of the United States that administers the defined benefit pension plan termination insurance program under Title IV of ERISA.

131. "Pension Plans" means, individually and collectively, the pension plans listed on Exhibit I.A.131 (a) that are tax-qualified defined benefit pension plans covered by ERISA and (b) for which the Debtors are contributing sponsors. See 29 U.S.C. Sections 1301(a)(13) and (14).

132. "Per Share Value" means the value per share of New Dana Holdco Common Stock as set forth in the Disclosure Statement, subject to modification by the Confirmation Order.

133. "Periodic Distribution Date" means the twentieth day of the month following the end of each calendar quarter after the Effective Date (or as soon as reasonably practicable thereafter); provided, however, that if the Effective Date is within 45 days of the end of a calendar quarter, the first Periodic Distribution Date will be the twentieth day of the month following the end of the first calendar quarter after the calendar quarter in which the Effective Date falls.

134. "Person" means any individual, firm, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization or other entity.

135. "Petition Date" means March 3, 2006, the date on which the Debtors filed their petitions for relief commencing the Chapter 11 Cases.

136. "Plan" means this joint plan of reorganization for the Debtors, and all exhibits attached hereto or referenced herein, as the same may be amended, modified or supplemented.

137. "Port Authority" means the Toledo Lucas County Port Authority.

138. "Port Authority Lease" means the Lease Agreement between the Port Authority and Spicer Driveshaft, Inc. (n/k/a Debtor Torque-Traction Technologies, LLC), dated October 1, 2002, as amended in accordance with the Port Authority Settlement Agreement.

139. "Port Authority Secured Claim" means the Port Authority's \$18.875 million Secured Claim against Debtor Torque-Traction Technologies, LLC, allowed pursuant to the Port Authority Settlement Order.

140. "Port Authority Settlement Agreement" means the Settlement Agreement by and among Dana, Debtor Torque-Traction Technologies, LLC, the Port Authority, the Director of Development of the State of Ohio, The Huntington National Bank and The Bank of New York Trust Company, N.A., dated August 1, 2007, approved by the Bankruptcy Court on August 22, 2007, as it may be amended, supplemented or modified.

141. "Port Authority Settlement Order" means the Order, Pursuant to Bankruptcy Rule 9019, for an Order (I) Approving a Settlement Agreement by and among Certain Debtors, The Toledo-Lucas County Port

Authority and Certain Other Parties, and (II) Allowing Claims of Toledo-Lucas County Port Authority Against Dana Corporation and Torque-Traction Technologies, LLC (Docket No. 6002), entered by the Bankruptcy Court on August 22, 2007.

142. "Postpetition Intercompany Claim" means any Intercompany Claim that is not a Prepetition Intercompany Claim.

143. "Postpetition Interest" means: (a) the Federal Judgment Rate; (b) for a Bondholder Claim, the contractual rate of interest set forth in the applicable Indenture; (c) the rate of interest set forth in the contract or other applicable document between the holder of a Claim and the applicable Debtor giving rise to such holder's Claim; or (d) such interest, if any, as otherwise agreed to by the holder of a Claim and the applicable Debtor.

144. "Prepetition Intercompany Claim" means an Intercompany Claim that arose prior to the Petition Date.

145. "Priority Claim" means a Claim that is entitled to priority in payment pursuant to section 507(a) of the Bankruptcy Code that is not an Administrative Claim or a Priority Tax Claim.

146. "Priority Tax Claim" means a Claim that is entitled to priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code.

147. "Pro Rata" means, when used with reference to a distribution of property to holders of Allowed Claims or Allowed Interests in a particular Class or other specified group of Claims or Interests pursuant to Article II, proportionately so that with respect to a particular Allowed Claim or Allowed Interest in such Class or in such group, the ratio of (a)(i) the amount of property to be distributed on account of such Claim or Interest to (ii) the amount of such Claim or Interest, is the same as the ratio of (b)(i) the amount of property to be distributed on account of all Allowed Claims or Interests in such Class or group of Claims or Interests to (ii) the amount of all Allowed Claims or Allowed Interests, as the case may be, in such Class or group of Claims or Interests.

148. "Professional" means any professional employed in the Chapter 11 Cases pursuant to sections 327, 328, 363 or 1103 of the Bankruptcy Code or any professional or other entity seeking compensation or reimbursement of expenses in connection with the Chapter 11 Cases pursuant to section 503(b)(4) of the Bankruptcy Code. For the avoidance of doubt, "Professional" shall include any professional or other entity rendering services to the Unions in connection with the Chapter 11 Cases to the extent that the compensation or reimbursement of expenses sought by such professional or other entity is governed by the Union Fee Order.

149. "Real Property Executory Contract or Unexpired Lease" means, collectively, an Executory Contract or Unexpired Lease relating to a Debtor's interest in real property and any Executory Contract or Unexpired Lease granting rights or interests related to or appurtenant to the applicable real property, including all easements; licenses; permits; rights; privileges; immunities; options; rights of first refusal; powers; uses; usufructs; reciprocal easement or operating agreements; vault, tunnel or bridge agreements or franchises; development rights; and any other interests in real estate or rights in rem related to the applicable real property.

150. "Recovery Actions" means, collectively and individually, preference actions, fraudulent conveyance actions and other claims or causes of action under sections 510, 544, 547, 548, 549 and 550 of the Bankruptcy Code and other similar state law claims and causes of action.

151. "Reinstated" or "Reinstatement" means rendering a Claim or Interest unimpaired within the meaning of section 1124 of the Bankruptcy Code. Unless the Plan specifies a particular method of Reinstatement, when the Plan provides that a Claim or Interest will be Reinstated, such Claim or Interest will be Reinstated, at Dana's sole discretion, in accordance with one of the following:

- a. The legal, equitable and contractual rights to which such Claim or Interest entitles the holder will be unaltered; or

- b. Notwithstanding any contractual provisions or applicable law that entitles the holder of such Claim or Interest to demand or receive accelerated payment of such Claim or Interest after the occurrence of a default:
- i. any such default that occurred before or after the commencement of the applicable Chapter 11 Case, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code, will be cured;
  - ii. the maturity of such Claim or Interest as such maturity existed before such default will be reinstated;
  - iii. the holder of such Claim or Interest will be compensated for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law;
  - iv. if such Claim arises from any failure to perform a nonmonetary obligation, other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A) of the Bankruptcy Code, the holder of such Claim will be compensated for any actual pecuniary loss incurred by such holder as a result of such failure; and
  - v. the legal, equitable or contractual rights to which such Claim or Interest entitles the holder of such Claim will not otherwise be altered.

152. "Released Parties" means, collectively and individually, the Debtors, the Reorganized Debtors, the Official Committees and their members (solely in their capacity as such), the Unions and any consultants of the Unions, the DIP Lenders, Centerbridge, CBP and permitted successors and assigns under the Old Investment Agreement, the Ad Hoc Steering Committee and its predecessor members from and after July 5, 2007 (solely in their capacity as such and to the extent holders of at least \$650 million in the aggregate of Bondholder Claims have executed the Appaloosa Plan Support Agreement), Centerbridge Capital Partners Strategic, L.P., Centerbridge Capital Partners SBS, L.P., Appaloosa and the Standby Purchasers and permitted successors and assigns under the Appaloosa Investment Agreement and the Representatives of each of the foregoing.

153. "Remaining Non-Union Retiree VEBA Contribution" means \$53.8 million in Cash.

154. "Reorganized . . ." means, when used in reference to a particular Debtor, such Debtor on or after the Effective Date.

155. "Reorganized Debtors" means the Debtors on and after the Effective Date and any entities created as part of the Restructuring Transactions, including but not limited to New Dana Holdco.

156. "Representatives" means, with respect to any entity, successor, predecessor, officer, director, partner, employee, agent, attorney, advisor, investment banker, financial advisor, accountant or other Professional of such entity, and committee of which such entity is a member, in each case in such capacity, serving on or after February 28, 2006.

157. "Reserved Excess Minimum Cash" means the Excess Minimum Cash to be contributed to the Disputed Unsecured Claims Reserve.

158. "Reserved Shares" means the shares of New Dana Holdco Common Stock to be contributed to the Disputed Unsecured Claims Reserve.

159. "Restructuring Transactions" means, collectively, those mergers, consolidations, restructurings, dispositions, liquidations or dissolutions that the Debtors determine to be necessary or appropriate to effect a

corporate restructuring of their respective businesses or otherwise to simplify the overall corporate structure of the Reorganized Debtors, as described in greater detail in Section V.B.1.

160. "Retiree Committee" means the official committee of non-union retired employees appointed by the United States Trustee in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code, as such committee may be reconstituted from time to time.

161. "Right" means a right issued pursuant to the Rights Offering.

162. "Rights Offering" means the offer and sale by Dana of New Series B Preferred Stock pursuant to a rights offering whereby Eligible Holders shall be offered the right to purchase in the aggregate 3,000,000 shares of New Series B Preferred Stock at a purchase price of \$100.00 per share.

163. "Rights Offering Record Date" means the date established by the Bankruptcy Court for determining holders of record of all Eligible General Unsecured Claims.

164. "Schedules" means the schedules of assets and liabilities and the statement of financial affairs Filed by a Debtor on June 30, 2006, as required by section 521 of the Bankruptcy Code, as the same may have been or may be amended, modified or supplemented.

165. "SEC" means the United States Securities and Exchange Commission.

166. "Secondary Liability Claim" means a Claim that arises from a Debtor being liable as a guarantor of, or otherwise being jointly, severally or secondarily liable for, any contractual, tort, guaranty or other obligation of another Debtor, including any Claim based on: (a) vicarious liability; (b) liabilities arising out of piercing the corporate veil, alter ego liability or similar legal theories; (c) guaranties of collection, payments or performance; (d) indemnity bonds, obligations to indemnify or obligations to hold harmless; (e) performance bonds; (f) contingent liabilities arising out of contractual obligations or out of undertakings (including any assignment or transfer) with respect to leases, operating agreements or other similar obligations made or given by a Debtor or relating to the obligations or performance of another Debtor; (g) several liability of a member of a consolidated (or equivalent) group of corporations for Taxes of other members of the group or of the entire group; or (h) any other joint or several liability, including Claims for indemnification or contribution, that any Debtor may have in respect of any obligation that is the basis of a Claim.

167. "Section 510(b) Old Common Stock Claim" means any Claim against any of the Debtors: (a) arising from rescission of a purchase or sale of Old Common Stock; (b) for damages arising from the purchase or sale of Old Common Stock; or (c) for reimbursement or contribution allowed under section 502 of the Bankruptcy Code on account of such a Claim.

168. "Secured Claim" means a Claim that is secured by a lien on property in which an Estate has an interest or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim holder's interest in such Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to sections 506(a) and, if applicable, 1129(b) of the Bankruptcy Code.

169. "Secured Tax Claim" means a Secured Claim arising out of a Debtor's liability for any Tax.

170. "Securities Act" means the Securities Act of 1933, as amended.

171. "Stipulation of Amount and Nature of Claim" means a stipulation or other agreement between a Debtor or Reorganized Debtor and a holder of a Claim or Interest, that, prior to the Effective Date, is approved by the Bankruptcy Court, or an agreed order of the Bankruptcy Court, establishing the amount and nature of a Claim or Interest, including any agreements made pursuant to that authority granted in the Order Establishing Claims Objection and Settlement Procedures (Docket No. 4044), entered on November 9, 2006 or other orders of the Bankruptcy Court. Any such stipulation or other agreement between a Reorganized Debtor, in consultation with the Creditor Oversight Committee, and a holder of a Claim or Interest executed after the Effective Date is not subject to

approval of the Bankruptcy Court; provided, however, that if the Creditor Oversight Committee Files an objection to such stipulation or other agreement within ten Business Days of receiving written notice of such stipulation or other agreement, Bankruptcy Court approval will be required.

172. "Subsidiary Debtor" means any Debtor other than Dana.

173. "Subsidiary Debtor Equity Interests" means, as to a particular Subsidiary Debtor, any Interests in such Debtor.

174. "Supporting Creditor" means any holder of a General Unsecured Claim that has (a) submitted an executed signature page to the Plan Support Agreement to the Debtors or (b) executed a transferee acknowledgment in accordance with the Plan Support Agreement.

175. "Tax" means: (a) any net income, alternative or add-on minimum, gross income, gross receipts, sales, use, ad valorem, value added, transfer, franchise, profits, license, property, environmental or other tax, assessment or charge of any kind whatsoever (together in each instance with any interest, penalty, addition to tax or additional amount) imposed by any federal, state, local or foreign taxing authority; or (b) any liability for payment of any amounts of the foregoing types as a result of being a member of an affiliated, consolidated, combined or unitary group, or being a party to any agreement or arrangement whereby liability for payment of any such amounts is determined by reference to the liability of any other entity.

176. "Third Party Disbursing Agent" means an entity designated by a Debtor or Reorganized Debtor, in consultation with the Creditors' Committee or Creditor Oversight Committee (as applicable), to act as a Disbursing Agent pursuant to Article VI.B.

177. "Tort Claim" means any Claim, other than an Asbestos Personal Injury Claim, that has not been settled, compromised or otherwise resolved that: (a) arises out of allegations of personal injury, wrongful death, property damage, products liability or similar legal theories of recovery; or (b) arises under any federal, state or local statute, rule, regulation or ordinance governing, regulating or relating to health, safety, hazardous substances or the environment.

178. "UAW" means the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America and its applicable affiliated entities, including local unions.

179. "UAW Settlement Agreement" means, collectively, the Settlement Agreement between Dana Corporation and the International Union, UAW, dated July 5, 2007, and the exhibits thereto, approved by the Global Settlement Order, as it may be amended, supplemented or modified.

180. "UAW Union Retiree VEBA" means the VEBA established pursuant to the UAW Settlement Agreement.

181. "UAW Union Retiree VEBA Contribution" means the \$465.3 million Cash contribution to be made by the Reorganized Debtors to the UAW Union Retiree VEBA pursuant to the UAW Settlement Agreement.

182. "Uninsured Claim" means any Claim that is not an Insured Claim.

183. "Union Claim" means the Claim of the Unions arising out of the Union Settlement Agreements, asserted by the Unions in the aggregate amount of \$1.1 billion.

184. "Union Emergence Shares" means the shares of New Dana Holdco Common Stock reserved by New Dana Holdco for issuance as emergence bonuses to employees of the Unions in accordance with Appendix J to the Union Settlement Agreements pursuant to Section III.E.

185. "Union Fee Order" means the Order, Pursuant to Sections 105(a), 363 and 503(c)(3) of the Bankruptcy Code, Approving Amended Agreement for the Payment of Certain Reasonable Fees and Expenses of Advisors to the Debtors' Unions (Docket No. 5819), entered by the Bankruptcy Court on July 26, 2007.

186. "Union Retiree Benefit Termination Date" means the later of January 1, 2008 or the Effective Date.

187. "Union Settlement Agreements" means, collectively, the UAW Settlement Agreement and the USW Settlement Agreement.

188. "Unions" means, collectively, the UAW and USW.

189. "United States Trustee" means the Office of the United States Trustee for the Southern District of New York.

190. "USW" means the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union and its applicable affiliated entities, including local unions.

191. "USW Settlement Agreement" means the Settlement Agreement between Dana Corporation and the United Steelworkers, dated July 5, 2007, and the exhibits thereto, approved by the Global Settlement Order, as it may be amended, supplemented or modified.

192. "USW Union Retiree VEBA" means the VEBA established pursuant to the USW Settlement Agreement.

193. "USW Union Retiree VEBA Contribution" means the \$298.7 million Cash contribution to be made by the Reorganized Debtors to the USW Union Retiree VEBA pursuant to the USW Settlement Agreement.

194. "VEBA" means a voluntary employees' beneficiary association.

195. "Voting Deadline" means the deadline for submitting Ballots to either accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code that is specified in the Disclosure Statement, the Ballots or related solicitation documents approved by the Bankruptcy Court.

196. "Wholly-Owned and Majority-Owned Non-Debtor Affiliates Other than DCC" means all wholly-owned and majority-owned non-debtor direct or indirect subsidiaries of Dana other than DCC.

## B. RULES OF INTERPRETATION AND COMPUTATION OF TIME

### 1. RULES OF INTERPRETATION

For purposes of the Plan, unless otherwise provided herein: (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, will include both the singular and the plural; (b) unless otherwise provided in the Plan, any reference in the Plan to a contract, instrument, release or other agreement or document being in a particular form or on particular terms and conditions means that such document will be substantially in such form or substantially on such terms and conditions; (c) any reference in the Plan to an existing document or Exhibit Filed or to be Filed means such document or Exhibit, as it may have been or may be amended, modified or supplemented pursuant to the Plan, Confirmation Order or otherwise; (d) any reference to an entity as a holder of a Claim or Interest includes that entity's successors, assigns and affiliates; (e) all references in the Plan to Sections, Articles and Exhibits are references to Sections, Articles and Exhibits of or to the Plan; (f) the words "herein," "hereunder" and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (g) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (h) subject to the provisions of any contract, articles or certificates of incorporation, bylaws, codes of regulation, similar constituent documents, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the rights and

obligations arising under the Plan will be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and the Bankruptcy Rules; and (i) the rules of construction set forth in section 102 of the Bankruptcy Code will apply to the extent not inconsistent with any other provision of this Section I.B.1.

## 2. COMPUTATION OF TIME

In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) will apply.

### ARTICLE II. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS; CRAMDOWN; EXECUTORY CONTRACTS & UNEXPIRED LEASES

All Claims and Interests, except Administrative Claims and Priority Tax Claims, are placed in the following Classes. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims, as described in Section II.A, have not been classified and thus are excluded from the following Classes. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other Classes.

#### A. UNCLASSIFIED CLAIMS

##### 1. PAYMENT OF ADMINISTRATIVE CLAIMS

###### a. ADMINISTRATIVE CLAIMS IN GENERAL

Except as specified in this Section II.A.1, and subject to the bar date provisions herein, unless otherwise agreed by the holder of an Administrative Claim and the applicable Debtor or Reorganized Debtor, or unless an order of the Bankruptcy Court provides otherwise, each holder of an Allowed Administrative Claim will receive, in full satisfaction of its Administrative Claim, Cash equal to the amount of such Allowed Administrative Claim either (i) on the Effective Date or (ii) if the Administrative Claim is not allowed as of the Effective Date, 30 days after the date on which an order allowing such Administrative Claim becomes a Final Order or a Stipulation of Amount and Nature of Claim is executed by the applicable Reorganized Debtor and the holder of the Administrative Claim.

###### b. STATUTORY FEES

On or before the Effective Date, Administrative Claims for fees payable pursuant to 28 U.S.C. Section 1930 will be paid in Cash equal to the amount of such Administrative Claims. All fees payable pursuant to 28 U.S.C. Section 1930 after the Effective Date will be paid by the applicable Reorganized Debtor in accordance therewith until the closing of the Chapter 11 Cases pursuant to section 350(a) of the Bankruptcy Code.

###### c. ORDINARY COURSE LIABILITIES

Allowed Administrative Claims based on liabilities incurred by a Debtor in the ordinary course of its business, including Administrative Claims arising from or with respect to the sale of goods or provision of services on or after the Petition Date in the ordinary course of the applicable Debtor's business, Administrative Claims of governmental units for Taxes (including Tax audit Claims related to Tax years or portions thereof ending after the Petition Date), Administrative Claims arising from those contracts and leases of the kind described in Section II.E.4 and Intercompany Claims that are Administrative Claims, will be paid by the applicable Reorganized Debtor, pursuant to the terms and conditions of the particular transaction giving rise to those Administrative Claims, without further action by the holders of such Administrative Claims or further approval by the Bankruptcy Court.

d. CLAIMS UNDER THE DIP CREDIT AGREEMENT

Unless otherwise agreed by the DIP Lenders pursuant to the DIP Credit Agreement, on or before the Effective Date, DIP Lender Claims that are Allowed Administrative Claims will be paid in Cash equal to the amount of those Allowed Administrative Claims.

e. ADMINISTRATIVE CLAIMS OF APPALOOSA AND THE STANDBY PURCHASERS

Unless otherwise agreed by the Debtors or Reorganized Debtors, Appaloosa and the Standby Purchasers, any Administrative Claims of Appaloosa or a Standby Purchaser arising under the Appaloosa Investment Agreement (as approved by the Appaloosa Approval Order) will be paid by the Reorganized Debtors in the ordinary course of their businesses without further action by Appaloosa or the Standby Purchasers or further approval by the Bankruptcy Court.

f. CONTRIBUTION TO NON-UNION RETIREE VEBA

On the Effective Date, the Reorganized Debtors will make the Remaining Non-Union Retiree VEBA Contribution.

g. SPECIAL PROVISIONS REGARDING THE CLAIMS OF THE INDENTURE TRUSTEE

In full satisfaction of the Indenture Trustee's Claims for reasonable fees and expenses payable pursuant to the terms of the Indentures, subject to the terms and conditions of this Section II.A.1.g, the Indenture Trustee will receive from the Reorganized Debtors Cash equal to the amount of such Claims; provided that such Cash Payment shall not exceed \$[ ]. Any charging lien held by the Indenture Trustee against distributions to Bondholders on account of Bondholder Claims will be deemed released upon payment of such Claims. To receive payment pursuant to this Section II.A.1.g, the Indenture Trustee shall provide reasonable detail in support of its Claims to the parties identified in Section X.F no later than ten days after the Effective Date. Such parties shall have the right to File objections to such Claims based on a "reasonableness" standard within 20 days after receipt of supporting documentation. The Reorganized Debtors shall pay any such Claims by the later of (i) 30 days after the receipt of supporting documentation from the Indenture Trustee, or (ii) ten Business Days after the resolution of any objections to the Claims of the Indenture Trustee. Distributions received by Bondholders on account of Allowed Bondholder Claims pursuant to the Plan will not be reduced on account of the payment of the Indenture Trustee's Claims.

h. BAR DATES FOR ADMINISTRATIVE CLAIMS

i. GENERAL BAR DATE PROVISIONS

Except as otherwise provided in Section II.A.1.h.ii or in a Bar Date Order or other order of the Bankruptcy Court, unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the Notice Parties pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order, no later than 30 days after the Effective Date. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims and that do not File and serve such a request by the applicable Bar Date will be forever barred from asserting such Administrative Claims against the Debtors, the Reorganized Debtors or their respective property, and such Administrative Claims will be deemed discharged as of the Effective Date. Objections to such requests must be Filed and served on the Notice Parties and the requesting party by the later of (A) 150 days after the Effective Date, (B) 60 days after the Filing of the applicable request for payment of Administrative Claims or (C) such other period of limitation as may be specifically fixed by a Final Order for objecting to such Administrative Claims.



ii. BAR DATES FOR CERTAIN ADMINISTRATIVE CLAIMS

A. PROFESSIONAL COMPENSATION

Professionals or other entities asserting a Fee Claim for services rendered before the Effective Date must File and serve on the Notice Parties and such other entities who are designated by the Bankruptcy Rules, the Fee Order, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Fee Claim no later than 60 days after the Effective Date; provided, however, that any professional who may receive compensation or reimbursement of expenses pursuant to the Ordinary Course Professionals Order may continue to receive such compensation and reimbursement of expenses for services rendered before the Effective Date pursuant to the Ordinary Course Professionals Order without further Bankruptcy Court review or approval (except as provided in the Ordinary Course Professionals Order). Objections to any Fee Claim must be Filed and served on the Notice Parties and the requesting party by the later of (1) 90 days after the Effective Date, (2) 30 days after the Filing of the applicable request for payment of the Fee Claim or (3) such other period of limitation as may be specifically fixed by a Final Order for objecting to such Fee Claims. To the extent necessary, the Confirmation Order will amend and supersede any previously entered order of the Bankruptcy Court regarding the payment of Fee Claims; provided, however, that Fee Claims Filed by Union Professionals will continue to be governed by, and paid in accordance with, the Union Fee Order.

B. ORDINARY COURSE LIABILITIES

Holders of Administrative Claims arising from liabilities incurred by a Debtor in the ordinary course of its business on or after the Petition Date, including Administrative Claims arising from or with respect to the sale of goods or provision of services on or after the Petition Date in the ordinary course of the applicable Debtor's business, Administrative Claims of governmental units for Taxes (including Tax audit Claims related to Tax years or portions thereof ending after the Petition Date), Administrative Claims arising from those contracts and leases of the kind described in Section II.E.4 and Intercompany Claims that are Administrative Claims, will not be required to File or serve any request for payment of such Administrative Claims. Such Administrative Claims will be satisfied pursuant to Section II.A.1.c. Any Administrative Claims that are filed contrary to this Section II.A.1.h.ii.B shall be deemed disallowed and expunged, subject to resolution and satisfaction in the ordinary course outside these Chapter 11 Cases.

C. CLAIMS UNDER THE DIP CREDIT AGREEMENT AND RELATED ORDERS

Holders of Administrative Claims on account of DIP Lender Claims will not be required to File or serve any request for payment or application for allowance of such Claims. Such Administrative Claims will be satisfied pursuant to Section II.A.1.d.

D. ADMINISTRATIVE CLAIMS OF APPALOOSA AND THE STANDBY PURCHASERS

Appaloosa and the Standby Purchasers will not be required to File or serve any request for payment or application for allowance of its Administrative Claims, if any, arising under the Appaloosa Investment Agreement (as approved by the Appaloosa Approval Order). Such Administrative Claims will be satisfied pursuant to Section II.A.1.e.

iii. NO MODIFICATION OF BAR DATE ORDER

The Plan does not modify any Bar Date Order already in place, including Bar Dates for Claims entitled to administrative priority under section 503(b)(9) of the Bankruptcy Code.

## 2. PAYMENT OF PRIORITY TAX CLAIMS

### a. PRIORITY TAX CLAIMS

Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the holder of a Priority Tax Claim and the applicable Debtor or Reorganized Debtor, each holder of an Allowed Priority Tax Claim will receive, in full satisfaction of its Priority Tax Claim, Cash equal to the amount of such Allowed Priority Tax Claim either (i) on the Effective Date or (ii) if the Priority Tax Claim is not allowed as of the Effective Date, 30 days after the date on which an order allowing such Priority Tax Claim becomes a Final Order or a Stipulation of Amount and Nature of Claim is executed by the applicable Reorganized Debtor and the holder of the Priority Tax Claim.

### b. OTHER PROVISIONS CONCERNING TREATMENT OF PRIORITY TAX CLAIMS

Notwithstanding the provisions of Section II.A.2.a or Section I.A.175, the holder of an Allowed Priority Tax Claim will not be entitled to receive any payment on account of any penalty arising with respect to or in connection with the Allowed Priority Tax Claim. Any such Claim or demand for any such penalty will be subject to treatment in Classes 5A or 5F, as applicable, if not subordinated to Class 5A or 5F Claims pursuant to an order of the Bankruptcy Court. The holder of an Allowed Priority Tax Claim will not assess or attempt to collect such penalty from the Debtors, Reorganized Debtors or their respective property (other than as a holder of a Class 5A or 5F Claim).

## B. CLASSIFIED CLAIMS AND INTERESTS

1. Priority Claims Against the Consolidated Debtors (Class 1A Claims) are unimpaired. On the Effective Date, each holder of an Allowed Claim in Class 1A will receive Cash equal to the amount of such Allowed Claim, unless the holder of such Priority Claim and the applicable Debtor or Reorganized Debtor agree to a different treatment.

2. Priority Claims Against EFMG (Class 1B Claims) are unimpaired. On the Effective Date, each holder of an Allowed Claim in Class 1B will receive Cash equal to the amount of such Allowed Claim, unless the holder of such Priority Claim and EFMG or Reorganized EFMG agree to a different treatment.

3. Secured Claims Against the Consolidated Debtors Other Than the Port Authority Secured Claim (Class 2A Claims) are unimpaired. On the Effective Date, unless otherwise agreed by a Claim holder and the applicable Debtor or Reorganized Debtor, each holder of an Allowed Claim in Class 2A will receive treatment on account of such Allowed Secured Claim in the manner set forth in Option A, B or C below, at the election of the applicable Debtor. The applicable Debtor will be deemed to have elected Option B except with respect to (a) any Allowed Secured Claim as to which the applicable Debtor elects either Option A or Option C in one or more certifications Filed prior to the conclusion of the Confirmation Hearing and (b) any Allowed Secured Tax Claim, with respect to which the applicable Debtor will be deemed to have elected Option A.

Option A: On the Effective Date, Allowed Claims in Class 2A with respect to which the applicable Debtor elects Option A will receive Cash equal to the amount of such Allowed Claim.

Option B: On the Effective Date, Allowed Claims in Class 2A with respect to which the applicable Debtor elects or is deemed to have elected Option B will be Reinstated.

Option C: On the Effective Date, a holder of an Allowed Claim in Class 2A with respect to which the applicable Debtor elects Option C will be entitled to receive (and the applicable Debtor or Reorganized Debtor shall release and transfer to such holder) the collateral securing such Allowed Claim.

Notwithstanding either the foregoing or Section I.A.175, the holder of an Allowed Secured Tax Claim in Class 2A will not be entitled to receive any payment on account of any penalty arising with respect to or in connection with such Allowed Secured Tax Claim. Any such Claim or demand for any such penalty will be subject

to treatment in Class 5F, if not subordinated to Class 5F Claims pursuant to an order of the Bankruptcy Court. The holder of an Allowed Secured Tax Claim will not assess or attempt to collect such penalty from the Debtors, Reorganized Debtors or their respective property (other than as a holder of a Class 5F Claim).

4. Secured Claims Against EFMG (Class 2B Claims) are unimpaired. On the Effective Date, unless otherwise agreed by a Claim holder and EFMG or Reorganized EFMG, each holder of an Allowed Claim in Class 2B will receive treatment on account of such Allowed Secured Claim in the manner set forth in Option A, B or C below, at the election of EFMG. EFMG will be deemed to have elected Option B except with respect to (a) any Allowed Secured Claim as to which EFMG elects either Option A or Option C in one or more certifications Filed prior to the conclusion of the Confirmation Hearing and (b) any Allowed Secured Tax Claim, with respect to which EFMG will be deemed to have elected Option A.

Option A: On the Effective Date, Allowed Claims in Class 2B with respect to which EFMG elects Option A will receive Cash equal to the amount of such Allowed Claim.

Option B: On the Effective Date, Allowed Claims in Class 2B with respect to which EFMG elects or is deemed to have elected Option B will be Reinstated.

Option C: On the Effective Date, a holder of an Allowed Claim in Class 2B with respect to which EFMG elects Option C will be entitled to receive (and EFMG or Reorganized EFMG shall release and transfer to such holder) the collateral securing such Allowed Claim.

Notwithstanding either the foregoing or Section I.A.175, the holder of an Allowed Secured Tax Claim in Class 2B will not be entitled to receive any payment on account of any penalty arising with respect to or in connection with such Allowed Secured Tax Claim. Any such Claim or demand for any such penalty will be subject to treatment in Class 5A, if not subordinated to Class 5A Claims pursuant to an order of the Bankruptcy Court. The holder of an Allowed Secured Tax Claim will not assess or attempt to collect such penalty from the Debtors, Reorganized Debtors or their respective property (other than as a holder of a Class 5A Claim).

5. Port Authority Secured Claim (Class 2C Claim) is impaired. In accordance with and subject to the terms of the Port Authority Settlement Agreement, on or as soon as practicable after the Effective Date, the Port Authority Secured Claim will be satisfied by: (a) Reorganized Torque-Traction Technologies, LLC entering into and assuming as amended the Port Authority Lease in the form attached to the Port Authority Settlement Agreement as Exhibit 1; (b) New Dana Holdco executing and delivering an amended guaranty in the form attached to the Port Authority Settlement Agreement as Exhibit 2; and (c) Reorganized Torque-Traction Technologies, LLC and New Dana Holdco executing and delivering any other agreements necessary to implement the Port Authority Settlement Agreement.

6. Asbestos Personal Injury Claims (Class 3 Claims) are unimpaired. On the Effective Date, the Asbestos Personal Injury Claims will be Reinstated.

7. Convenience Claims Against the Consolidated Debtors (Class 4 Claims) are unimpaired. On the Effective Date, each holder of an Allowed Convenience Claim will receive Cash equal to the amount of such Allowed Claims (as reduced, if applicable, pursuant to an election by the holder thereof in accordance with Section I.A.55).

8. General Unsecured Claims Against EFMG (Class 5A Claims) are unimpaired. On the Effective Date, each holder of an Allowed General Unsecured Claim against EFMG will receive Cash equal to the amount of such Allowed Claim.

9. 5.85% Bond Claims (Class 5B Claims) are impaired. In full satisfaction of its Allowed Claim, each holder of an Allowed Claim in Class 5B will receive (a)(i) on the Effective Date, its Pro Rata share, based upon the principal amount of each holder's Allowed Claim, of the Distributable Shares of New Dana Holdco Common Stock and the Distributable Excess Minimum Cash; and/or (ii) after the Effective Date, such periodic distributions of Reserved Shares and Reserved Excess Minimum Cash as are set forth in Section VI.F.4.b; and (b) on the Rights

Offering Record Date, to the extent such Claim is an Eligible General Unsecured Claim, its Pro Rata share, based upon the principal amount of each holder's Eligible General Unsecured Claim, of Rights.

10. 6.5% and 7% Bond Claims (Class 5C Claims) are impaired. In full satisfaction of its Allowed Claim, each holder of an Allowed Claim in Class 5C will receive (a)(i) on the Effective Date, its Pro Rata share, based upon the principal amount of each holder's Allowed Claim, of the Distributable Shares of New Dana Holdco Common Stock and the Distributable Excess Minimum Cash; and/or (ii) after the Effective Date, such periodic distributions of Reserved Shares and Reserved Excess Minimum Cash as are set forth in Section VI.F.4.b; and (b) on the Rights Offering Record Date, to the extent such Claim is an Eligible General Unsecured Claim, its Pro Rata share, based upon the principal amount of each holder's Eligible General Unsecured Claim, of Rights.

11. 9% Bond Claims (Class 5D Claims) are impaired. In full satisfaction of its Allowed Claim, each holder of an Allowed Claim in Class 5D will receive (a)(i) on the Effective Date, its Pro Rata share, based upon the principal amount of each holder's Allowed Claim, of the Distributable Shares of New Dana Holdco Common Stock and the Distributable Excess Minimum Cash; and/or (ii) after the Effective Date, such periodic distributions of Reserved Shares and Reserved Excess Minimum Cash as are set forth in Section VI.F.4.b; and (b) on the Rights Offering Record Date, to the extent such Claim is an Eligible General Unsecured Claim, its Pro Rata share, based upon the principal amount of each holder's Eligible General Unsecured Claim, of Rights.

12. 10.125% Bond Claims (Class 5E Claims) are impaired. In full satisfaction of its Allowed Claim, each holder of an Allowed Claim in Class 5E will receive (a)(i) on the Effective Date, its Pro Rata share, based upon the principal amount of each holder's Allowed Claim, of the Distributable Shares of New Dana Holdco Common Stock and the Distributable Excess Minimum Cash; and/or (ii) after the Effective Date, such periodic distributions of Reserved Shares and Reserved Excess Minimum Cash as are set forth in Section VI.F.4.b; and (b) on the Rights Offering Record Date, to the extent such Claim is an Eligible General Unsecured Claim, its Pro Rata share, based upon the principal amount of each holder's Eligible General Unsecured Claim, of Rights.

13. Other General Unsecured Claims Against the Consolidated Debtors (Class 5F Claims) are impaired. In full satisfaction of its Allowed Claim, each holder of an Allowed Claim in Class 5F will receive (a)(i) on the Effective Date, its Pro Rata share, based upon the principal amount of each holder's Allowed Claim, of the Distributable Shares of New Dana Holdco Common Stock and the Distributable Excess Minimum Cash; and/or (ii) after the Effective Date, such periodic distributions of Reserved Shares and Reserved Excess Minimum Cash as are set forth in Section VI.F.4.b; and (b) on the Rights Offering Record Date, to the extent such Claim is an Eligible General Unsecured Claim, its Pro Rata share, based upon the principal amount of each holder's Eligible General Unsecured Claim, of Rights.

14. Union Claim (Class 5G Claim) is impaired. On the Effective Date, in full satisfaction of the Union Claim, the Debtors will make the UAW Retiree VEBA Contribution and the USW Retiree VEBA Contribution.

15. Prepetition Intercompany Claims (Class 6A Claims) are impaired. On the Effective Date, Prepetition Intercompany Claims in Class 6A that are not eliminated by operation of law in the Restructuring Transactions will be deemed settled and compromised in exchange for the consideration and other benefits provided to the holders of Prepetition Intercompany Claims and not entitled to any distribution of Plan consideration under the Plan. Each holder of a Class 6A Claim will be deemed to have accepted the Plan.

16. Claims of Wholly-Owned and Majority-Owned Non-Debtor Affiliates Other than DCC (Class 6B Claims) are unimpaired. On the Effective Date, Claims of Wholly-Owned and Majority-Owned Non-Debtor Affiliates Other than DCC against the Debtors will be Reinstated.

17. DCC Claim (Class 6C Claim) is impaired. On the Effective Date, in full satisfaction of the DCC Claim, the Reorganized Debtors will satisfy in Cash DCC's outstanding liability under the DCC Bonds.

18. Old Common Stock of Dana (Class 7A Interests) are impaired. On the Effective Date, the Old Common Stock of Dana and all Interests related thereto will be canceled, and each holder of an Allowed Interest in

Class 7A will receive, in full satisfaction of such Allowed Interest, a contingent, residual interest in the Disputed Unsecured Claims Reserve Assets that will entitle each holder of an Allowed Interest in Class 7A to receive, to the extent holders of Allowed Claims in Classes 5B, 5C, 5D, 5E and 5F have been paid in full plus Postpetition Interest, its Pro Rata share, based upon the number of shares of Old Common Stock of Dana (a) owned by the holder on the Distribution Record Date and (b) to which the holder would have been entitled upon the conversion of any related Interests owned on the Distribution Record Date and taking into account Allowed Claims in Class 7B, of any remaining Disputed Unsecured Claims Reserve Assets.

19. Section 510(b) Old Common Stock Claims Against the Consolidated Debtors (Class 7B Claims) are impaired. Holders of Section 510(b) Old Common Stock Claims in Class 7B will receive, in full satisfaction of such Allowed Claim, a contingent, residual interest in the Disputed Unsecured Claims Reserve Assets that will entitle each holder of an Allowed Claim in Class 7B to receive, to the extent holders of Allowed Claims in Classes 5B, 5C, 5D, 5E and 5F have been paid in full plus Postpetition Interest, its Pro Rata share (taking into account Allowed Interests in Class 7A) of any remaining Disputed Unsecured Claims Reserve Assets.

20. Subsidiary Debtor Equity Interests (Class 8 Interests) are unimpaired. On the Effective Date, the Subsidiary Debtor Equity Interests will be Reinstated, subject to the Restructuring Transactions.

C. SPECIAL PROVISIONS REGARDING THE TREATMENT OF ALLOWED SECONDARY LIABILITY CLAIMS; MAXIMUM RECOVERY

The classification and treatment of Allowed Claims under the Plan take into consideration all Allowed Secondary Liability Claims. On the Effective Date, Allowed Secondary Liability Claims will be treated as follows:

1. The Allowed Secondary Liability Claims arising from or related to any Debtor's joint or several liability for the obligations under any Executory Contract or Unexpired Lease that is being assumed or deemed assumed by another Debtor or under any Executory Contract or Unexpired Lease that is being assumed by and assigned to another Debtor will be Reinstated.

2. Except as provided in Section II.C.1, holders of Allowed Secondary Liability Claims against any Consolidated Debtor will be entitled to only one Distribution in respect of such Allowed Secondary Liability Claim and will be deemed satisfied in full by the Distributions on account of the related underlying Allowed Claim. No multiple recovery on account of any Allowed Claim against any Consolidated Debtor will be provided or permitted.

3. Notwithstanding any provision hereof to the contrary, holders of Allowed Secondary Liability Claims against a Consolidated Debtor and EFMG may not receive in the aggregate from all Debtors more than 100% of the value of the underlying Claim giving rise to such multiple Claims.

D. CONFIRMATION WITHOUT ACCEPTANCE BY ALL IMPAIRED CLASSES

The Debtors request Confirmation under section 1129(b) of the Bankruptcy Code with respect to any impaired Class that has not accepted or is deemed not to have accepted the Plan pursuant to section 1126 of the Bankruptcy Code.

E. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

1. EXECUTORY CONTRACTS AND UNEXPIRED LEASES TO BE ASSUMED

a. ASSUMPTION AND ASSIGNMENT GENERALLY

Except as otherwise provided in the Plan, in any contract, instrument, release or other agreement or document entered into in connection with the Plan or in a Final Order of the Bankruptcy Court, or as requested in any motion Filed on or prior to the Effective Date, on the Effective Date, pursuant to section 365 of the Bankruptcy Code, the applicable Debtor or Debtors will assume or assume and assign, as indicated, each Executory Contract or

Unexpired Lease listed on Exhibit II.E.1.a; provided, however, that the Debtors and Reorganized Debtors reserve the right, at any time on or prior to the Effective Date, to amend Exhibit II.E.1.a to: (i) delete any Executory Contract or Unexpired Lease listed therein, thus providing for its rejection pursuant to Section II.E.5; or (ii) add any Executory Contract or Unexpired Lease thereto, thus providing for its assumption or assumption and assignment pursuant to this Section II.E.1.a. The Debtors or Reorganized Debtors, as applicable, will provide notice of any amendments to Exhibit II.E.1.a to the parties to the Executory Contracts or Unexpired Leases affected thereby and to the parties on the then-applicable service list in the Chapter 11 Cases. Each contract and lease listed on Exhibit II.E.1.a will be assumed only to the extent that any such contract or lease constitutes an Executory Contract or Unexpired Lease. Listing a contract or lease on Exhibit II.E.1.a will not constitute an admission by a Debtor or Reorganized Debtor that such contract or lease (including any related agreements as described in Section II.E.1.b) is an Executory Contract or Unexpired Lease or that a Debtor or Reorganized Debtor has any liability thereunder.

b. ASSUMPTIONS AND ASSIGNMENTS OF ANCILLARY AGREEMENTS

Each Executory Contract or Unexpired Lease listed on Exhibit II.E.1.a will include any modifications, amendments, supplements, restatements or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affects such contract or lease, irrespective of whether such agreement, instrument or other document is listed on Exhibit II.E.1.a, unless any such modification, amendment, supplement, restatement or other agreement is rejected pursuant to Section II.E.5 or designated for rejection in accordance with Section II.E.2.

c. JOINT VENTURE AGREEMENTS

The joint venture agreements listed on Exhibit II.E.1.c shall be deemed assumed and assigned to New Dana Holdco in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code as of the Effective Date.

d. CUSTOMER AGREEMENTS

To the extent (i) the Debtors are party to any contract, purchase order or similar agreement providing for the sale of the Debtors' products or services, (ii) any such agreement constitutes an Executory Contract or Unexpired Lease and (iii) such agreement (A) has not been rejected pursuant to a Final Order of the Bankruptcy Court, (B) is not subject to a pending motion for reconsideration or appeal of an order authorizing the rejection of such Executory Contract or Unexpired Lease, (C) is not subject to a motion to reject such Executory Contract or Unexpired Lease Filed on or prior to the Effective Date, (D) is not listed on Exhibit II.E.5 or (E) has not been designated for rejection in accordance with Section II.E.5, such agreement (including any related agreements as described in Section II.E.1.b), purchase order or similar agreement will be deemed assumed and assigned to New Dana Holdco in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. Listing a contract, purchase order or similar agreement providing for the sale of the Debtors' products or services on Exhibit II.E.5 will not constitute an admission by a Debtor or Reorganized Debtor that such agreement (including related agreements as described in Section II.E.1.b) is an Executory Contract or Unexpired Lease or that a Debtor or Reorganized Debtor has any liability thereunder.

2. APPROVAL OF ASSUMPTIONS AND ASSIGNMENTS; ASSIGNMENTS RELATED TO RESTRUCTURING TRANSACTIONS

The Confirmation Order will constitute an order of the Bankruptcy Court approving the assumption (including any related assignment resulting from the Restructuring Transactions or otherwise) of Executory Contracts or Unexpired Leases pursuant to Section II.E as of the Effective Date, except for Executory Contracts or Unexpired Leases that (a) have been rejected pursuant to a Final Order of the Bankruptcy Court, (b) are subject to a pending motion for reconsideration or appeal of an order authorizing the rejection of such Executory Contract or Unexpired Lease, (c) are subject to a motion to reject such Executory Contract or Unexpired Lease Filed on or prior to the Effective Date, (d) are rejected pursuant to Section II.E.5 or (e) are designated for rejection in accordance with the last sentence of this paragraph. An order of the Bankruptcy Court entered on or prior to the Confirmation Date will specify the procedures for providing notice to each party whose Executory Contract or Unexpired Lease is being assumed pursuant to the Plan of: (a) the contract or lease being assumed; (b) the Cure

Amount Claim, if any, that the applicable Debtor believes it would be obligated to pay in connection with such assumption; (c) any assignment of an Executory Contract or Unexpired Lease (pursuant to the Restructuring Transactions or otherwise); and (d) the procedures for such party to object to the assumption of the applicable Executory Contract or Unexpired Lease, the amount of the proposed Cure Amount Claim or any assignment of an Executory Contract or Unexpired Lease. As of the effective time of an applicable Restructuring Transaction, any Executory Contract or Unexpired Lease to be held by any Debtor or Reorganized Debtor and assumed hereunder or otherwise in the Chapter 11 Cases will be deemed assigned to the surviving, resulting or acquiring corporation in the applicable Restructuring Transaction, pursuant to section 365 of the Bankruptcy Code. If an objection to a proposed assumption, assumption and assignment or Cure Amount Claim is not resolved in favor of the Debtors or the Reorganized Debtors, the applicable Executory Contract or Unexpired Lease may be designated by the Debtors or the Reorganized Debtors for rejection, which shall be deemed effective as of the Effective Date.

### 3. PAYMENTS RELATED TO THE ASSUMPTION OF EXECUTORY CONTRACTS OR UNEXPIRED LEASES

To the extent that such Claims constitute monetary defaults, the Cure Amount Claims associated with each Executory Contract or Unexpired Lease to be assumed pursuant to the Plan will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, at the option of the applicable Debtor or Reorganized Debtor: (a) by payment of the Cure Amount Claim in Cash on the Effective Date or (b) on such other terms as are agreed to by the parties to such Executory Contract or Unexpired Lease. If there is a dispute regarding: (a) the amount of any Cure Amount Claim, (b) the ability of the applicable Reorganized Debtor or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed or (c) any other matter pertaining to the assumption of such contract or lease, the payment of any Cure Amount Claim required by section 365(b)(1) of the Bankruptcy Code will be made within 30 days following the entry of a Final Order or the execution of a Stipulation of Amount and Nature of Claim resolving the dispute and approving the assumption.

### 4. CONTRACTS AND LEASES ENTERED INTO AFTER THE PETITION DATE

Contracts, leases and other agreements entered into after the Petition Date by a Debtor, including, without limitation, the Union Settlement Agreements and any Executory Contracts or Unexpired Leases assumed by a Debtor, will be performed by such Debtor or Reorganized Debtor in the ordinary course of its business, as applicable. Accordingly, such contracts and leases (including any assumed Executory Contracts or Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

### 5. REJECTION OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

On the Effective Date, except for an Executory Contract or Unexpired Lease that was previously assumed, assumed and assigned or rejected by an order of the Bankruptcy Court or that is assumed pursuant to Section II.E (including any related agreements assumed pursuant to Section II.E.1.b), each Executory Contract or Unexpired Lease entered into by a Debtor prior to the Petition Date that has not previously expired or terminated pursuant to its own terms will be rejected pursuant to section 365 of the Bankruptcy Code. The Executory Contracts or Unexpired Leases to be rejected will include the Executory Contracts or Unexpired Leases listed on Exhibit II.E.5. Each contract and lease listed on Exhibit II.E.5 will be rejected only to the extent that any such contract or lease constitutes an Executory Contract or Unexpired Lease. Listing a contract or lease on Exhibit II.E.5 will not constitute an admission by a Debtor or Reorganized Debtor that such contract or lease (including related agreements as described in Section II.E.1.b) is an Executory Contract or Unexpired Lease or that a Debtor or Reorganized Debtor has any liability thereunder. Any Executory Contract or Unexpired Lease not listed on Exhibit II.E.1.a and not previously assumed, assumed and assigned or rejected by an order of the Bankruptcy Court will be deemed rejected irrespective of whether such contract is listed on Exhibit II.E.5. The Confirmation Order will constitute an order of the Bankruptcy Court approving such rejections, pursuant to section 365 of the Bankruptcy Code, as of the later of: (a) the Effective Date; or (b) the resolution of any objection to the proposed rejection of an Executory Contract or Unexpired Lease. Any Claims arising from the rejection of any Executory Contract or Unexpired Lease will be treated as a Class 5A Claim or Class 5F Claim, as applicable (General Unsecured Claims), subject to the provisions of section 502 of the Bankruptcy Code.

## 6. BAR DATE FOR REJECTION DAMAGES

Except as otherwise provided in a Final Order of the Bankruptcy Court approving the rejection of an Executory Contract or Unexpired Lease, Claims arising out of the rejection of an Executory Contract or Unexpired Lease must be Filed with the Bankruptcy Court on or before the later of: (a) 30 days after the Effective Date or (b) 20 days after such Executory Contract or Unexpired Lease is rejected pursuant to a Final Order or designated for rejection in accordance with Section II.E.2. Any Claims not Filed within such applicable time periods will be forever barred from receiving a distribution from the Debtors, the Reorganized Debtors or the Estates.

## 7. SPECIAL EXECUTORY CONTRACT AND UNEXPIRED LEASE ISSUES

### a. OBLIGATIONS TO INDEMNIFY DIRECTORS, OFFICERS AND EMPLOYEES

i. Prior to the Effective Date, Dana shall make arrangements to continue liability and fiduciary (including ERISA) insurance for the benefit of its directors, officers and employees for the period from and after the Effective Date, and, prior to the Effective Date, shall fully pay the annual premium for such insurance. With respect to its pre-Effective Date officers and directors' liability insurance, Dana shall obtain and pay for a run-off policy continuing existing policy limits on substantially the same terms and conditions as existing officers and directors' liability policies, for a term of six years, and providing coverage to all parties covered by policies in effect during the pendency of the cases.

ii. The obligations of each Debtor or Reorganized Debtor to indemnify any person who was serving as one of its directors, officers or employees on or after February 28, 2006 by reason of such person's prior or future service in such a capacity or as a director, officer or employee of another corporation, partnership or other legal entity, to the extent provided in the applicable certificates of incorporation, bylaws or similar constituent documents, by statutory law or by written agreement, policies or procedures of or with such Debtor or Reorganized Debtor, will be deemed and treated as executory contracts that are assumed by the applicable Debtor or Reorganized Debtor pursuant to the Plan and section 365 of the Bankruptcy Code as of the Effective Date. Accordingly, such indemnification obligations will survive and be unaffected by entry of the Confirmation Order, irrespective of whether such indemnification is owed for an act or event occurring before or after the Petition Date.

iii. The obligations of each Debtor or Reorganized Debtor to indemnify any person who was serving as one of its directors, officers or employees prior to February 28, 2006 by reason of such person's prior service in such a capacity or as a director, officer or employee of another corporation, partnership or other legal entity, to the extent provided in the applicable certificates of incorporation, bylaws or similar constituent documents, by statutory law or by written agreement, policies or procedures of or with such Debtor, will terminate and be discharged pursuant to section 502(e) of the Bankruptcy Code or otherwise as of the Effective Date; provided, however, that to the extent that such indemnification obligations no longer give rise to contingent Claims that can be disallowed pursuant to section 502(e) of the Bankruptcy Code, such indemnification obligations will be deemed and treated as Executory Contracts that are rejected by the applicable Debtor or Reorganized Debtor pursuant to the Plan and section 365 of the Bankruptcy Code as of the Effective Date, and any Claims arising from such indemnification obligations (including any rejection damage claims) will be subject to the Bar Date provisions of Section II.F.6.

## 8. NO CHANGE IN CONTROL

The consummation of the Plan, the implementation of the Restructuring Transactions or the assumption or assumption and assignment of any Executory Contract or Unexpired Lease to another Reorganized Debtor is not intended to, and shall not, constitute a change in ownership or change in control under any financial instrument, loan or financing agreement, Executory Contract or Unexpired Lease or contract, lease or agreement in existence on the Effective Date to which a Debtor is a party.



ARTICLE III.  
THE GLOBAL SETTLEMENT

The provisions of the Plan are intended to continue the implementation of the Global Settlement and the transactions contemplated thereby, as approved by the Global Settlement Order (other than the transactions contemplated by the Old Investment Agreement and the Old Plan Support Agreement) and the Appaloosa Approval Order. Transactions to be implemented pursuant to the Global Settlement include, but are not limited to, the following:

A. ASSUMPTION AND ASSIGNMENT OF COLLECTIVE BARGAINING AGREEMENTS

On the Effective Date, Reorganized Dana will assume and assign to the applicable Reorganized Debtor, in consultation with the applicable Unions, (1) the collective bargaining agreements listed on Exhibit III.A, which include the Union Settlement Agreements and the new collective bargaining agreements to be entered into by the Debtors and the UAW or USW at the following bargaining units: (a) Fort Wayne, IN - Local Union 903; (b) Henderson, KY - Local Union 9443-02; (c) Marion, IN - Local Union 113; (d) Auburn Hills, MI - UAW Local 771; (e) Rochester Hills, MI - UAW Local 771; (f) Longview, TX - UAW Local [ ]; (g) Lima, OH - UAW Local 1765; (h) Elizabethtown, KY - UAW Local 3047; and (i) Pottstown, PA - UAW Local 644, (2) any new collective bargaining agreements entered into between Dana and the UAW or USW, (3) the respective Neutrality Agreements (as defined in the Union Settlement Agreements) and (4) any and all other related agreements necessary to effect the Union Settlement Agreements. Upon assumption, all proofs of claim filed by the Unions or any individual relating to such collective bargaining agreements will be deemed withdrawn. Ordinary course obligations arising under the assumed agreements shall be unaltered by the Plan and shall be satisfied in the ordinary course of business.

B. CESSATION OF UNION RETIREE AND LONG TERM DISABILITY BENEFITS

On the Union Retiree Benefit Termination Date, the Reorganized Debtors, in accordance with the Union Settlement Agreements, will cease providing and paying (1) all retiree benefits (as defined in section 1114(a) of the Bankruptcy Code) to all UAW and USW-represented retirees and (2) all long term disability income and medical benefits to individuals who are Union Disableds (as defined in the Union Settlement Agreements).

C. CONTRIBUTIONS TO UAW UNION RETIREE VEBA AND USW UNION RETIREE VEBA

On or after the Effective Date, in accordance with the terms of the Union Settlement Agreements, the Reorganized Debtors will make (1) the UAW Union Retiree VEBA Contribution and (2) the USW Union Retiree VEBA Contribution; provided, however, that, to the extent the Debtors pursue a transaction other than the New Equity Investment with Appaloosa, including a majority investment transaction, a sale of substantially all of the Debtors' assets and any similar transaction, the Unions may elect to receive, in accordance with the terms of the Union Settlement Agreements and in lieu of the UAW Union Retiree VEBA Contribution and the USW Union Retiree VEBA Contribution, either an Allowed Administrative Claim in the amount of \$764 million or an Allowed General Unsecured Claim in Class 5F in the amount of \$908 million.

D. ASSUMPTION AND ASSIGNMENT OF PENSION BENEFITS

On the Effective Date, Reorganized Dana shall assume and assign the Pension Plans to New Dana Holdco, which will become the sponsor and continue to administer the Pension Plans, satisfy the minimum funding standards pursuant to 26 U.S.C. Section 412 and 29 U.S.C. Section 1082 and administer the Pension Plans in accordance with their terms and the provisions of ERISA and the Internal Revenue Code. Furthermore, nothing in the Plan shall be construed as discharging, releasing or relieving the Debtors or the Debtors' successors from any liability imposed under any law or regulatory provision with respect to the Pension Plans. Neither the PBGC, the Pension Plans nor any participant or beneficiary of the Pension Plans shall be enjoined or precluded from enforcing such liability with respect to the Pension Plans.

E. EMERGENCE BONUS FOR UNION EMPLOYEES

In accordance with the terms of the Union Settlement Agreements, New Dana Holdco will reserve New Dana Holdco Common Stock having a maximum aggregate Per Share Value of \$22.53 million to be distributed to certain current and former union employees as a post-emergence bonus in accordance with Appendix J to the Union Settlement Agreements.

F. THE NEW EQUITY INVESTMENT

On the Rights Offering Record Date (or as soon thereafter as is reasonably practicable), Dana shall issue the Rights in accordance with the terms of the Appaloosa Investment Agreement. On the Effective Date, New Dana Holdco, will (1) issue the New Preferred Stock and (2) receive the New Equity Investment in accordance with the terms and conditions of the Appaloosa Investment Agreement. New Dana Holdco is authorized to execute and deliver those documents necessary or appropriate to facilitate the offer and issuance of the Rights and the New Preferred Stock and to take any necessary or appropriate actions in connection therewith.

G. NEW EMPLOYMENT AGREEMENTS

Prior to the Effective Date, the individuals who will serve as directors of New Dana Holdco, shall appoint a three-person committee of such directors to negotiate, in consultation with Appaloosa, post-Effective Date employment agreements with New Dana Holdco's anticipated senior management team. Such employment agreements shall (1) be at market terms, (2) be reasonably acceptable in form and substance to Appaloosa, in consultation with the Ad Hoc Steering Committee (provided that the holders of at least \$650 million in the aggregate of Bondholder Claims have executed the Appaloosa Plan Support Agreement), and (3) be approved by New Dana Holdco's board of directors on the Effective Date.

H. LIMITATIONS ON SALES OF CORE BUSINESSES PRIOR TO EFFECTIVE DATE

Except for the sale of certain businesses specified by the Debtors and disclosed in confidence to the Unions and the Creditors' Committee on or before July 1, 2007 and Appaloosa on or before \_\_\_\_\_, 2007, and in addition to any requirements or consents required by the DIP Lenders under the DIP Facility, the Debtors will not sell any business line within their Automotive Systems Group or Commercial Vehicles Group prior to the Effective Date without (1) the agreement of the International President of the affected Union(s) (or any designee(s) of such officer(s)) and (2) the consent of Appaloosa.

ARTICLE IV.  
CONFIRMATION OF THE PLAN

A. CONDITIONS PRECEDENT TO CONFIRMATION

The following conditions are conditions to the entry of the Confirmation Order unless such conditions, or any of them, have been satisfied or duly waived pursuant to Section IV.C:

1. The Confirmation Order will be reasonably acceptable in form and substance to (a) the Debtors, (b) the Creditors' Committee, (c) Appaloosa and (d) to the extent that holders of at least \$650 million in aggregate amount of Bondholder Claims have signed the Appaloosa Plan Support Agreement, either (i) the Ad Hoc Steering Committee or (ii) creditors holding at least \$650 million in aggregate amount of Allowed General Unsecured Claims.

2. The Plan shall not have been materially amended, altered or modified from the Plan as Filed on [\_\_\_\_\_], unless such material amendment, alteration or modification has been made in accordance with Section X.A of the Plan.

3. All Exhibits to the Plan are in form and substance reasonably satisfactory to (a) the Debtors, (b) the Unions, (c) Appaloosa and (d) to the extent that holders of at least \$650 million in aggregate amount of

Bondholder Claims have signed the Appaloosa Plan Support Agreement, either (i) the Ad Hoc Steering Committee or (ii) creditors holding at least \$650 million in aggregate amount of Allowed General Unsecured Claims.

**B. CONDITIONS PRECEDENT TO THE EFFECTIVE DATE**

The Effective Date will not occur, and the Plan will not be consummated, unless and until the following conditions have been satisfied or duly waived pursuant to Section IV.C:

1. The Bankruptcy Court shall have entered the Confirmation Order on or before February 28, 2008.

2. The Bankruptcy Court shall have entered an order (contemplated to be part of the Confirmation Order) approving and authorizing the Debtors and the Reorganized Debtors to take all actions necessary or appropriate to implement the Plan, including completion of the Restructuring Transactions and the other transactions contemplated by the Plan and the implementation and consummation of the contracts, instruments, releases and other agreements or documents entered into or delivered in connection with the Plan.

3. No stay of the Confirmation Order shall then be in effect.

4. The documents effectuating the Exit Facility shall be in form and substance reasonably satisfactory to the Debtors and Appaloosa and shall have been executed and delivered by the Reorganized Debtors, the Exit Facility Agent and each of the lenders under the Exit Facility.

5. The total amount of Allowed General Unsecured Claims (excluding any General Unsecured Claims held by the Unions (including the Union Claim), any General Unsecured Claims held by the Retiree Committee, Convenience Claims, General Unsecured Claims against EFMG, Prepetition Intercompany Claims and the DCC Claim) shall not exceed \$3.25 billion.

6. The total amount of funded debt of the Reorganized Debtors, on a consolidated basis, shall not exceed \$1.5 billion.

7. The Reorganized Debtors' Minimum Emergence Liquidity shall be reasonably acceptable to the Unions and Appaloosa.

8. The Effective Date shall occur on or before May 1, 2008.

9. The Plan and all Exhibits to the Plan shall not have been materially amended, altered or modified from the Plan as confirmed by the Confirmation Order, unless such material amendment, alteration or modification has been made in accordance with Section X.A of the Plan.

**C. WAIVER OF CONDITIONS TO THE CONFIRMATION OR EFFECTIVE DATE**

The conditions to Confirmation and the conditions to the Effective Date may be waived in whole or in part at any time by the agreement of (1) the Debtors, (2) Appaloosa, (3) Creditors' Committee, (4) the Unions and (5) to the extent that holders of at least \$650 million in aggregate amount of Bondholder Claims have signed the Appaloosa Plan Support Agreement, either (a) the Ad Hoc Steering Committee or (b) creditors holding at least \$650 million in aggregate amount of Allowed General Unsecured Claims without an order of the Bankruptcy Court, provided, however, that the condition precedent to the Effective Date in Section IV.B.5 may be waived only by the Creditors' Committee acting reasonably and consistently with its fiduciary duties to all unsecured creditors and after taking into account the efforts that the Debtors, the Creditors' Committee and other parties, if applicable, have made to resolve unsecured Claims.

**D. EFFECT OF NONOCCURRENCE OF CONDITIONS TO THE EFFECTIVE DATE**

If each of the conditions to the Effective Date is not satisfied or duly waived in accordance with Section IV.C, then upon motion by the Debtors made before the time that each of such conditions has been satisfied

and upon notice to such parties in interest as the Bankruptcy Court may direct, the Confirmation Order will be vacated by the Bankruptcy Court; provided, however, that, notwithstanding the Filing of such motion, the Confirmation Order may not be vacated if each of the conditions to the Effective Date is satisfied before the Bankruptcy Court enters an order granting such motion. If the Confirmation Order is vacated pursuant to this Section IV.D: (1) the Plan will be null and void in all respects, including with respect to (a) the discharge of Claims and termination of Interests pursuant to section 1141 of the Bankruptcy Code, (b) the assumptions, assignments or rejections of Executory Contracts and Unexpired Leases pursuant to Section II.E and (c) the releases described in Section IV.E; (2) the Debtors shall return to the applicable Eligible Holders any funds received in connection with the exercise of a Right; and (3) nothing contained in the Plan will (a) constitute a waiver or release of any Claims by or against, or any Interest in, any Debtor or (b) prejudice in any manner the rights of the Debtors or any other party in interest.

#### E. EFFECT OF CONFIRMATION OF THE PLAN

##### 1. DISSOLUTION OF OFFICIAL COMMITTEES

On the Effective Date, the Official Committees, to the extent not previously dissolved, will dissolve, and the members of the Official Committees and their respective Professionals will cease to have any role arising from or related to the Chapter 11 Cases. The Professionals retained by the Official Committees and the respective members thereof will not be entitled to assert any Fee Claim for any services rendered or expenses incurred after the Effective Date, except for reasonable fees for services rendered, and actual and necessary expenses incurred, in connection with any applications for allowance of compensation and reimbursement of expenses pending on the Effective Date or Filed and served after the Effective Date pursuant to Section II.A.1.h.ii.A.

##### 2. PRESERVATION OF RIGHTS OF ACTION BY THE DEBTORS AND THE REORGANIZED DEBTORS; RECOVERY ACTIONS

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b) of the Bankruptcy Code, the Reorganized Debtors will retain and may enforce any claims, demands, rights, defenses and causes of action that the Debtors or the Estates may hold against any entity, including any Recovery Actions, to the extent not expressly released under the Plan or by any Final Order of the Bankruptcy Court.

##### 3. COMPREHENSIVE SETTLEMENT OF CLAIMS AND CONTROVERSIES

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan will constitute a good faith compromise and settlement of all claims or controversies relating to the rights that a holder of a Claim (including Prepetition Intercompany Claims) or Interest may have with respect to any Allowed Claim or Allowed Interest or any distribution to be made pursuant to the Plan on account of any Allowed Claim or Allowed Interest. The entry of the Confirmation Order will constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that all such compromises or settlements are in the best interests of the Debtors, Reorganized Debtors, Estates and their respective property and Claim and Interest holders and are fair, equitable and reasonable.

##### 4. DISCHARGE OF CLAIMS AND TERMINATION OF INTERESTS

###### a. COMPLETE SATISFACTION, DISCHARGE AND RELEASE

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims and termination of all Interests arising on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. Except as provided in the Plan or in the Confirmation Order, Confirmation will, as of the Effective Date and immediately after cancellation of the Old Common Stock of Dana: (i) discharge the Debtors from all Claims or other debts that arose on or before the

Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (A) a proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (B) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (C) the holder of a Claim based on such debt has accepted the Plan; and (ii) terminate all Interests and other rights of holders of Interests in the Debtors.

b. DISCHARGE AND TERMINATION

In accordance with the foregoing, except as provided in the Plan, the Confirmation Order will be a judicial determination, as of the Effective Date and immediately after the cancellation of the Old Common Stock of Dana, but prior to the issuance of the New Dana Holdco Common Stock, of a discharge of all Claims and other debts and Liabilities against the Debtors and a termination of all Interests and other rights of the holders of Interests in the Debtors, pursuant to sections 524 and 1141 of the Bankruptcy Code, and such discharge will void any judgment obtained against the Debtors at any time, to the extent that such judgment relates to a discharged Claim or terminated Interest.

5. INJUNCTION

On the Effective Date, except as otherwise provided herein or in the Confirmation Order,

a. all Persons who have been, are or may be holders of Claims against or Interests in a Debtor shall be enjoined from taking any of the following actions against or affecting a Debtor, its Estate or its Assets with respect to such Claims or Interests (other than actions brought to enforce any rights or obligations under the Plan and appeals, if any, from the Confirmation Order):

1. commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against a Debtor, its Estate, its Assets or any direct or indirect successor in interest to a Debtor, or any assets or property of such successor (including, without limitation, all suits, actions and proceedings that are pending as of the Effective Date, which must be withdrawn or dismissed with prejudice);

2. enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order against a Debtor, its Estate or its Assets or any direct or indirect successor in interest to a Debtor, or any assets or property of such successor;

3. creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien against a Debtor, its Estate or its Assets, or any direct or indirect successor in interest to a Debtor, or any assets or property of such successor other than as contemplated by the Plan;

4. except as provided herein, asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Debtor, its Estate or its Assets, or any direct or indirect successor in interest to a Debtor, or any assets or property of such successor; and

5. proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan or the settlements set forth herein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan.

b. All Persons that have held, currently hold or may hold any Liabilities released pursuant to Sections IV.E.6 and IV.E.7 will be permanently enjoined from taking any of the following actions against any Released Party or its property on account of such released Liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) except as provided herein, asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Released Party; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

## 6. RELEASES

### a. GENERAL RELEASES BY DEBTORS AND REORGANIZED DEBTORS

Without limiting any other applicable provisions of, or releases contained in, the Plan, as of the Effective Date, the Debtors and the Reorganized Debtors, on behalf of themselves and their affiliates, the Estates and their respective successors, assigns and any and all entities who may purport to claim by, through, for or because of them, will forever release, waive and discharge all Liabilities that they have, had or may have against any Released Party; provided, however, that the foregoing provisions shall not affect the liability of any Released Party that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct.

### b. GENERAL RELEASES BY HOLDERS OF CLAIMS OR INTERESTS

Without limiting any other applicable provisions of, or releases contained in, the Plan, as of the Effective Date, in consideration for the obligations of the Debtors and the Reorganized Debtors under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each holder of a Claim or Interest (i) that votes in favor of the Plan and/or (ii) to the fullest extent permissible under law, will be deemed to forever release, waive and discharge all Liabilities in any way relating to a Debtor, the Chapter 11 Cases, the Estates, the Plan, the Confirmation Exhibits or the Disclosure Statement that such entity has, had or may have against any Released Party (which release will be in addition to the discharge of Claims and termination of Interests provided herein and under the Confirmation Order and the Bankruptcy Code).

### c. RELEASE OF RELEASED PARTIES BY OTHER RELEASED PARTIES

From and after the Effective Date, except with respect to obligations under the Plan, the Global Settlement and the Appaloosa Investment Agreement and related documents, to the fullest extent permitted by applicable law, the Released Parties shall release each other from any and all Liabilities that any Released Party is entitled to assert against any other Released Party in any way relating to any Debtor, the Chapter 11 Cases, the Estates, the formulation, preparation, negotiation, dissemination, implementation, administration, confirmation or consummation of any of the Plan, or the property to be distributed under the Plan, the Confirmation Exhibits, the Disclosure Statement, any contract, employee pension or other benefit plan, instrument, release or other agreement or document related to any Debtor, the Chapter 11 Cases or the Estates created, modified, amended, terminated or entered into in connection with either the Plan or any agreement between the Debtors and any Released Party or any other act taken or omitted to be taken in connection with the Debtors' bankruptcy; provided, however, that the foregoing provisions shall not affect the liability of any Released Party that otherwise would result from any act or omission to the extent that act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct.

## 7. EXCULPATION

From and after the Effective Date, except with respect to obligations arising under the Plan, the Global Settlement and the Appaloosa Investment Agreement and related documents, the Released Parties shall neither have nor incur any liability to any Person for any act taken or omitted to be taken in connection with the Debtors' restructuring, including the formulation, preparation, dissemination, implementation, confirmation or approval of the Global Settlement, the Plan, the Confirmation Exhibits, the Disclosure Statement or any contract, instrument, release or other agreement or document provided for or contemplated in connection with the consummation of the transactions set forth in the Plan; provided, however, that the foregoing provisions shall not affect the liability of any Person that otherwise would result from any such act or omission to the extent that act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct. Any of the foregoing parties in all respects shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

8. TERMINATION OF CERTAIN SUBORDINATION RIGHTS AND SETTLEMENT OF RELATED CLAIMS AND CONTROVERSIES

a. TERMINATION

The classification and manner of satisfying all Claims and Interests under the Plan take into consideration all subordination rights, whether arising under general principles of equitable subordination, contract, section 510(c) of the Bankruptcy Code or otherwise, that a holder of a Claim or Interest may have against other Claim or Interest holders with respect to any distribution made pursuant to the Plan. Except as provided in Section IV.E.8.c, all subordination rights that a holder of a Claim may have with respect to any distribution to be made pursuant to the Plan will be discharged and terminated, and all actions related to the enforcement of such subordination rights will be permanently enjoined. Accordingly, distributions pursuant to the Plan to holders of Allowed Claims will not be subject to payment to a beneficiary of such terminated subordination rights or to levy, garnishment, attachment or other legal process by a beneficiary of such terminated subordination rights.

b. SETTLEMENT

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan will constitute a good faith compromise and settlement of all claims or controversies relating to the subordination rights that a holder of a Claim may have with respect to any Allowed Claim or any distribution to be made pursuant to the Plan on account of any Allowed Claim, except as provided in Section IV.E.8.c. The entry of the Confirmation Order will constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that such compromise or settlement is in the best interests of the Debtors, the Reorganized Debtors and their respective property and Claim and Interest holders and is fair, equitable and reasonable.

c. Preservation of Subordination under Section 510(b)

Notwithstanding anything to the contrary contained in Section IV.E.8, the provisions of section 510(b) of the Bankruptcy Code, to the extent applicable, are expressly preserved and shall be enforced pursuant to the Plan.

ARTICLE V.  
MEANS FOR IMPLEMENTATION OF THE PLAN

A. CONTINUED CORPORATE EXISTENCE AND VESTING OF ASSETS

Except as otherwise provided herein (including with respect to the Restructuring Transactions described in Section V.B), on the Effective Date: (1) New Dana Holdco will be incorporated and shall exist as a separate corporate entity, with all corporate powers in accordance with the laws of the state of Delaware and the certificates of incorporation, bylaws and certificate of designations attached hereto as Exhibits V.C.1.a and V.C.1.b; (2) each Debtor will, as a Reorganized Debtor, continue to exist after the Effective Date as a separate legal entity, with all of the powers of such a legal entity under applicable law and without prejudice to any right to alter or terminate such existence (whether by merger, dissolution or otherwise) under applicable state law; (3) all property of the Estate of a Debtor, and any property acquired by a Debtor or Reorganized Debtor under the Plan, will vest, subject to the Restructuring Transactions, in such Reorganized Debtor free and clear of all Claims, liens, charges, other encumbrances, Interests and other interests. On and after the Effective Date, each Reorganized Debtor may operate its business and may use, acquire and dispose of property and compromise or settle any claims without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or the Confirmation Order. Without limiting the foregoing, each Reorganized Debtor may pay the charges that it incurs on or after the Effective Date for Professionals' fees, disbursements, expenses or related support services (including fees relating to the preparation of Professional fee applications) without application to, or the approval of, the Bankruptcy Court.

## B. RESTRUCTURING TRANSACTIONS

### 1. RESTRUCTURING TRANSACTIONS GENERALLY

On or after the Confirmation Date, the applicable Debtors or Reorganized Debtors may enter into such Restructuring Transactions and may take such actions as the Debtors or Reorganized Debtors may determine to be necessary or appropriate to effect a corporate restructuring of their respective businesses or simplify the overall corporate structure of the Reorganized Debtors, including but not limited to the restructuring transactions identified on Exhibit V.B.1, all to the extent not inconsistent with any other terms of the Plan. Unless otherwise provided by the terms of a Restructuring Transaction, all such Restructuring Transactions will be deemed to occur on the Effective Date and may include one or more mergers, consolidations, restructurings, dispositions, liquidations or dissolutions, as may be determined by the Debtors or the Reorganized Debtors to be necessary or appropriate. The actions to effect these transactions may include: (a) the execution and delivery of appropriate agreements or other documents of merger, consolidation, restructuring, disposition, liquidation or dissolution containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable state law and such other terms to which the applicable entities may agree; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, duty or obligation on terms consistent with the terms of the Plan and having such other terms to which the applicable entities may agree; (c) the filing of appropriate certificates or articles of merger, consolidation, dissolution or change in corporate form pursuant to applicable state law; and (d) the taking of all other actions that the applicable entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable state law in connection with such transactions. Any such transactions may be effected on or subsequent to the Effective Date without any further action by the stockholders or directors of any of the Debtors or the Reorganized Debtors.

### 2. OBLIGATIONS OF ANY SUCCESSOR CORPORATION IN A RESTRUCTURING TRANSACTION

The Restructuring Transactions may result in substantially all of the respective assets, properties, rights, liabilities, duties and obligations of certain of the Reorganized Debtors vesting in one or more surviving, resulting or acquiring corporations. In each case in which the surviving, resulting or acquiring corporation in any such transaction is a successor to a Reorganized Debtor, such surviving, resulting or acquiring corporation will perform the obligations of the applicable Reorganized Debtor pursuant to the Plan to pay or otherwise satisfy the Allowed Claims against such Reorganized Debtor, except as provided in the Plan or in any contract, instrument or other agreement or document effecting a disposition to such surviving, resulting or acquiring corporation, which may provide that another Reorganized Debtor will perform such obligations.

## C. CORPORATE GOVERNANCE AND DIRECTORS AND OFFICERS

### 1. CERTIFICATES OF INCORPORATION AND BYLAWS OF NEW DANA HOLDCO AND THE OTHER REORGANIZED DEBTORS

As of the Effective Date, the certificates of incorporation and the bylaws (or comparable constituent documents) of New Dana Holdco and the other Reorganized Debtors, including the certificate of designations with respect to New Dana Holdco, will be substantially in the forms set forth in Exhibits V.C.1.a and V.C.1.b, respectively. The certificates of incorporation and bylaws (or comparable constituent documents) of New Dana Holdco and each other Reorganized Debtor, among other things, will: (a) prohibit the issuance of nonvoting equity securities to the extent required by section 1123(a)(6) of the Bankruptcy Code; (b) with respect to New Dana Holdco, authorize (i) the issuance of New Dana Holdco Common Stock in amounts not less than the amounts necessary to permit the distributions required or contemplated by the Plan and (ii) the issuance of the New Preferred Stock. After the Effective Date, New Dana Holdco and each other Reorganized Debtor may amend and restate their articles of incorporation or bylaws (or comparable constituent documents) as permitted by applicable state law, subject to the terms and conditions of such constituent documents. On the Effective Date, or as soon thereafter as is practicable, New Dana Holdco and each other Reorganized Debtor shall file such certificates of incorporation (or comparable constituent documents) with the secretaries of state of the states in which New Dana Holdco and such other Reorganized Debtors are incorporated or organized, to the extent required by and in accordance with the applicable corporate law of such states.



2. DIRECTORS AND OFFICERS OF NEW DANA HOLDCO AND THE OTHER REORGANIZED DEBTORS

Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code, from and after the Effective Date: (a) the initial officers of New Dana Holdco and the other Reorganized Debtors will consist of the individuals identified on Exhibit V.C.2; (b) the initial board of directors of New Dana Holdco will be selected in accordance with the terms of the Appaloosa Investment Agreement; and (c) the initial board of directors of each of the other Reorganized Debtors will consist of the individuals identified, or will be designated pursuant to the procedures specified, on Exhibit V.C.2. Each such director and officer will serve from and after the Effective Date until his or her successor is duly elected or appointed and qualified or until his or her earlier death, resignation or removal in accordance with the terms of the certificate of incorporation and bylaws (or comparable constituent documents) of New Dana Holdco or the applicable other Reorganized Debtor and state law.

3. COMPLIANCE WITH EXCHANGE ACT BY NEW DANA HOLDCO

From and after the Effective Date, New Dana Holdco shall timely file with the SEC the annual reports, quarterly reports and other periodic reports required to be filed with the SEC pursuant to sections 13(a) or 15(d) of the Exchange Act.

D. NEW DANA HOLDCO COMMON STOCK

1. ISSUANCE AND DISTRIBUTION OF NEW DANA HOLDCO COMMON STOCK

The New Dana Holdco Common Stock, when issued or distributed as provided in the Plan, will be duly authorized, validly issued and, if applicable, fully paid and nonassessable. Each distribution and issuance under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each person or entity receiving such distribution or issuance.

2. LISTING

New Dana Holdco will apply to list the New Dana Holdco Common Stock on a national exchange as soon as practicable after the Effective Date when New Dana Holdco meets the applicable listing requirements. If New Dana Holdco is not able to list the New Dana Holdco Common Stock on a national exchange, it will cooperate with any registered broker-dealer who may seek to initiate price quotations for the New Dana Holdco Common Stock on the OTC Bulletin Board.

3. SECTION 1145 EXEMPTION

To the maximum extent provided by section 1145 of the Bankruptcy Code and applicable nonbankruptcy law, the issuance of the New Dana Holdco Common Stock and Rights under the Plan and New Series B Preferred Stock pursuant to the valid exercise of a Right under the Plan will be exempt from registration under the Securities Act and all rules and regulations promulgated thereunder.

E. EMPLOYMENT, RETIREMENT AND OTHER RELATED AGREEMENTS; CESSATION OF RETIREE BENEFITS; WORKERS' COMPENSATION PROGRAMS

1. EMPLOYMENT-RELATED AGREEMENTS

As of the Effective Date, the Reorganized Debtors will have authority to: (a) maintain, amend or revise existing employment, retirement, welfare, incentive, severance, indemnification and other agreements with its active directors, officers and employees, subject to the terms and conditions of any such agreement; and (b) enter into new employment, retirement, welfare, incentive, severance, indemnification and other agreements for active employees.

## 2. CESSATION OF RETIREE BENEFITS

Prior to the Effective Date, the Debtors ceased providing and paying all retiree benefits (as defined in section 1114(a) of the Bankruptcy Code) to: (a) non-union retirees and their dependents in accordance with the Stipulation and Agreed Order Between Dana Corporation and the Official Committee of Non-Union Retirees (Docket No. 5356), dated May 21, 2007; and (b) retirees who had been members of the International Association of Machinists and Aerospace Workers and their dependents in accordance with the Agreed Order Approving Settlement Agreement Between Dana Corporation and the International Association of Machinists and Aerospace Workers (Docket No. 5180), dated April 27, 2007. Retiree benefits (as defined in section 1114(a) of the Bankruptcy Code) to all UAW and USW-represented retirees will be terminated in accordance with the Global Settlement Order and Section III.B above.

## 3. CONTINUATION OF WORKERS' COMPENSATION PROGRAMS

From and after the Effective Date, the Reorganized Debtors will continue to administer and pay the Claims arising before the Petition Date under the Debtors' workers' compensation programs in all applicable jurisdictions in accordance with the Debtors' prepetition practices and procedures, applicable plan documents and governing state law; provided, however, that the Claims arising from the Debtors' prepetition contractual assumption of, or indemnity for, the liabilities of third parties under workers' compensation programs will be treated as General Unsecured Claims in Classes 5A and 5F, as applicable.

## 4. EMERGENCE BONUS FOR NON-UNION EMPLOYEES

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## F. CORPORATE ACTION

The Restructuring Transactions; the adoption of new or amended and restated certificates of incorporation and bylaws (or comparable constituent documents) for New Dana Holdco and the other Reorganized Debtors and the certificate of designations for New Dana Holdco; the initial selection of directors and officers for each Reorganized Debtor; the entry into the Exit Facility and receipt of the proceeds thereof; the establishment of the Creditor Oversight Committee; the issuance of the New Preferred Stock and New Dana Holdco Common Stock; the distribution of the New Dana Holdco Common Stock and Cash pursuant to the Plan; the adoption, execution, delivery and implementation of all contracts, leases, instruments, releases and other agreements or documents related to any of the foregoing; the adoption, execution and implementation of employment, retirement and indemnification agreements, incentive compensation programs, retirement income plans, welfare benefit plans and other employee plans and related agreements; and the other matters provided for under the Plan involving the corporate structure of the Debtors and Reorganized Debtors or corporate action to be taken by or required of a Debtor or Reorganized Debtor will be deemed to occur and be effective as of the Effective Date, if no such other date is specified in such other documents, and will be authorized and approved in all respects and for all purposes without any requirement of further action by the stockholders or directors of the Debtors or the Reorganized Debtors.

## G. CREDITOR OVERSIGHT COMMITTEE

### 1. COMPOSITION

On or prior to the Effective Date, the Creditor Oversight Committee shall be established pursuant to the Creditor Oversight Committee Agreement.

### 2. RIGHTS AND RESPONSIBILITIES

The powers, rights and responsibilities of the Creditor Oversight Committee shall be specified in the Creditor Oversight Committee Agreement, which shall be Filed no later than five Business Days prior to the Confirmation Hearing and shall include the authority and responsibility to review proposed resolutions of General

Unsecured Claims. In connection with this responsibility, the Creditor Oversight Committee may employ, without further order of the Bankruptcy Court, professionals to assist in carrying out its duties under the Plan. Notwithstanding anything to the contrary in the Creditor Oversight Committee Agreement or the Plan, the consultation and objection rights of the Creditor Oversight Committee with respect to Claims shall be limited to General Unsecured Claims that would result in the creation of an Allowed General Unsecured Claim in excess of \$[500,000].

### 3. FEES AND EXPENSES OF THE CREDITOR OVERSIGHT COMMITTEE

Except as otherwise ordered by the Bankruptcy Court, the reasonable and necessary fees and expenses of the Creditor Oversight Committee (including the reasonable and necessary fees and expenses of any professionals assisting the Creditor Oversight Committee in carrying out its duties under the Plan) will be paid by the Reorganized Debtors in accordance with the Creditor Oversight Committee Agreement without further order from the Bankruptcy Court.

## H. SPECIAL PROVISIONS REGARDING INSURED CLAIMS

### 1. LIMITATIONS ON AMOUNTS TO BE DISTRIBUTED TO HOLDERS OF ALLOWED INSURED CLAIMS

Distributions under the Plan to each holder of an Allowed Insured Claim will be in accordance with the treatment provided under the Plan for the Class in which such Allowed Insured Claim is classified, but solely to the extent that such Allowed Insured Claim is not satisfied from proceeds payable to the holder thereof under any pertinent insurance policies and applicable law. Nothing in this Section V.H will constitute a waiver of any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities that any entity may hold against any other entity, including the Debtors' insurance carriers.

### 2. REINSTATEMENT AND CONTINUATION OF INSURANCE POLICIES

From and after the Effective Date, each of the Debtors' insurance policies in existence as of or prior to the Effective Date shall be reinstated and continued in accordance with its terms and, to the extent applicable, shall be deemed assumed or assumed and assigned by the applicable Debtor or Reorganized Debtor pursuant to section 365 of the Bankruptcy Code and Section II.E of the Plan. Each insurance carrier under such insurance policies shall continue to honor and administer the policies with respect to the Reorganized Debtors in the same manner and according to the same terms and practices applicable to the Debtors prior to the Effective Date.

## I. CANCELLATION AND SURRENDER OF INSTRUMENTS, SECURITIES AND OTHER DOCUMENTATION

### 1. BONDS

Except as provided in any contract, instrument or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to Article VI, the Indentures and the Bonds will be deemed canceled and of no further force and effect against the Debtors, without any further action on the part of any Debtor. The holders of the Bonds will have no rights against the Debtors arising from or relating to such instruments and other documentation or the cancellation thereof, except the rights provided pursuant to the Plan; provided, however, that no distribution under the Plan will be made to or on behalf of any holder of an Allowed Bondholder Claim until such Bonds are surrendered to and received by the applicable Third Party Disbursing Agent to the extent required in Section VI.K. Upon the cancellation of the Indentures on the Effective Date, the Indenture Trustee shall have no further duties or obligations under such Indenture from and after the Effective Date, including, without limitation, any duties or obligations with respect to distributions to or for the benefit of the holders of the Bonds under the Plan (other than those duties or obligations undertaken by the Indenture Trustee in its capacity as a Disbursing Agent, if any).

## 2. OLD COMMON STOCK

The Old Common Stock of Dana shall be deemed canceled and of no further force and effect on the Effective Date. The holders of or parties to such canceled securities and other documentation will have no rights arising from or relating to such securities and other documentation or the cancellation thereof, except the rights provided pursuant to the Plan.

### J. RELEASE OF LIENS

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and except as specified in the treatment provided for Claims and Interests in Article II, all mortgages, deeds of trust, liens or other security interests against the property of any Estate will be fully released and discharged, and all of the right, title and interest of any holder of such mortgages, deeds of trust, liens or other security interests, including any rights to any collateral thereunder, will revert to the applicable Reorganized Debtor and its successors and assigns. As of the Effective Date, the Reorganized Debtors shall be authorized to execute and file on behalf of creditors Form UCC-3 Termination Statements or such other forms as may be necessary or appropriate to implement the provisions of this Section V.J.

### K. EFFECTUATING DOCUMENTS; FURTHER TRANSACTIONS; EXEMPTION FROM CERTAIN TRANSFER TAXES

The President, Chief Executive Officer, Chief Financial Officer or any Vice President of each Debtor or Reorganized Debtor, as applicable, will be authorized to execute, deliver, file or record such contracts, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and implement the provisions of the Plan. The Secretary or any Assistant Secretary of each Debtor or Reorganized Debtor will be authorized to certify or attest to any of the foregoing actions. Pursuant to section 1146(a) of the Bankruptcy Code, the following will not be subject to any stamp Tax, real estate transfer Tax, mortgage recording Tax, sales or use Tax or similar Tax: (1) the issuance, transfer or exchange of New Dana Holdco Common Stock and New Preferred Stock; (2) the creation of any mortgage, deed of trust, lien or other security interest; (3) the making or assignment of any lease or sublease; (4) the execution and delivery of the Exit Facility; (5) any Restructuring Transaction; or (6) the making or delivery of any deed or other instrument of transfer under, in furtherance of or in connection with the Plan, including any merger agreements, agreements of consolidation, restructuring, disposition, liquidation or dissolution, deeds, bills of sale or assignments executed in connection with any of the foregoing or pursuant to the Plan.

## ARTICLE VI. PROVISIONS GOVERNING DISTRIBUTIONS

### A. DISTRIBUTIONS FOR CLAIMS AND INTERESTS ALLOWED AS OF THE EFFECTIVE DATE

Except as otherwise provided in this Article VI, distributions of Cash (including Distributable Excess Minimum Cash) and Distributable Shares of New Dana Holdco Common Stock to be made on the Effective Date to holders of Claims or Interests as provided by Article II that are allowed as of the Effective Date shall be deemed made on the Effective Date if made on the Effective Date or as promptly thereafter as practicable, but in any event no later than: (1) 60 days after the Effective Date; or (2) with respect to any particular Claim, such later date when the applicable conditions of Section II.E.3 (regarding cure payments for Executory Contracts and Unexpired Leases being assumed), Section VI.E.2 (regarding undeliverable distributions) or Section VI.K (regarding surrender of canceled instruments and securities), as applicable, are satisfied. Distributions on account of Claims and Interests that become Allowed Claims or Allowed Interests, respectively, after the Effective Date will be made pursuant to Section VII.C. For the purposes of all distributions of New Dana Holdco Common Stock to be made pursuant to the Plan, each share of New Dana Holdco Common Stock shall be valued at the Per Share Value.

## B. METHOD OF DISTRIBUTIONS TO HOLDERS OF CLAIMS AND INTERESTS

The Reorganized Debtors, or such Third Party Disbursing Agents as the Reorganized Debtors, in consultation with the Creditor Oversight Committee, may employ in their sole discretion, will make all distributions of Cash, New Dana Holdco Common Stock and other instruments or documents required under the Plan. Each Disbursing Agent will serve without bond, and any Disbursing Agent may employ or contract with other entities to assist in or make the distributions required by the Plan. The duties of any Third Party Disbursing Agent shall be set forth in the applicable agreement retaining such Third Party Disbursing Agent.

## C. COMPENSATION AND REIMBURSEMENT FOR SERVICES RELATED TO DISTRIBUTIONS

Each Third Party Disbursing Agent providing services related to distributions pursuant to the Plan will receive from the Reorganized Debtors, without further Bankruptcy Court approval, reasonable compensation for such services and reimbursement of reasonable out-of-pocket expenses incurred in connection with such services. These payments will be made by the Reorganized Debtors and will not be deducted from distributions to be made pursuant to the Plan to holders of Allowed Claims receiving distributions from a Third Party Disbursing Agent.

## D. PROVISIONS GOVERNING DISPUTED UNSECURED CLAIMS RESERVE

### 1. FUNDING OF THE DISPUTED UNSECURED CLAIMS RESERVE

On the Effective Date, the Disputed Unsecured Claims Reserve will be established by the Disbursing Agent and the Reserved Shares and/or Reserved Excess Minimum Cash will be placed in the Disputed Unsecured Claims Reserve by the Disbursing Agent for the benefit of holders of Disputed Claims and Allowed Interests, as the case may be, in Classes 5B, 5C, 5D, 5E, 5F, 7A and 7B. For the purpose of calculating the amount of New Dana Holdco Common Stock and/or Excess Minimum Cash to be contributed to the Disputed Unsecured Claims Reserve, all Disputed Claims will be treated (solely for purposes of establishing the Disputed Unsecured Claims Reserve) either as Allowed Claims in the Face Amount of such Claims or as estimated by the Bankruptcy Court, as applicable.

### 2. DIVIDENDS AND DISTRIBUTIONS

Cash dividends and other distributions received by the Disbursing Agent on account of the Reserved Shares, along with any Cash Investment Yield on Cash held in the Disputed Unsecured Claims Reserve, will (a) be deposited in a segregated bank account in the name of the Disbursing Agent for the benefit of holders of Allowed Claims or Allowed Interests, as the case may be, in Classes 5B, 5C, 5D, 5E, 5F, 7A and 7B (b) will be accounted for separately and (c) will not constitute property of the Reorganized Debtors. The Disbursing Agent will invest any Cash held in the Disputed Unsecured Claims Reserve in a manner consistent with Dana's investment and deposit guidelines.

### 3. RECOURSE

Each holder of a Disputed Claim that ultimately becomes an Allowed Claim in Classes 5B, 5C, 5D, 5E and 5F will have recourse only to the Disputed Unsecured Claims Reserve Assets and not to any other assets held by the Reorganized Debtors, their property or any assets previously distributed on account of any Allowed Claim or Allowed Interest. Each holder of an Allowed Claim or Allowed Interest in Classes 7A or 7B will have recourse, to the extent each holder of an Allowed Claim in Classes 5B, 5C, 5D, 5E and 5F has been paid in full, plus Postpetition Interest, only to the Disputed Unsecured Claims Reserve Assets, if any, and not to any other assets held by any Disbursing Agent, the Reorganized Debtors, their property or any assets previously distributed on account of any Allowed Claim or Allowed Interest.

#### 4. VOTING OF UNDELIVERED NEW DANA HOLDCO COMMON STOCK

The Disbursing Agent shall vote, and shall be deemed to vote, the Reserved Shares held by it in its capacity as Disbursing Agent in the same proportion as all outstanding shares of New Dana Holdco Common Stock properly cast in a shareholder vote.

#### 5. TAX TREATMENT

The Disputed Unsecured Claims Reserve is intended to be treated, for U.S. federal income Tax purposes, as a disputed ownership fund within the meaning of Treasury Regulations section 1.468B-9(b)(1).

#### E. DELIVERY OF DISTRIBUTIONS AND UNDELIVERABLE OR UNCLAIMED DISTRIBUTIONS

##### 1. DELIVERY OF DISTRIBUTIONS

###### a. GENERALLY

Except as provided in Section VI.E.1.b, distributions to holders of Allowed Claims and, to the extent applicable, Allowed Interests, will be made by a Disbursing Agent: (i) at (A) the addresses set forth on the respective proofs of Claim Filed by holders of such Claims and (B) the address of such record holder listed with the registrar or transfer agent for such Interest; (ii) at the address for a Claim transferee set forth in a valid notice of transfer of Claim; (iii) at the addresses set forth in any written certification of address change delivered to the Disbursing Agent (including pursuant to a letter of transmittal delivered to a Disbursing Agent) after the date of Filing of any related proof of Claim; (iv) at the addresses reflected in the applicable Debtor's Schedules if no proof of Claim has been Filed and the Disbursing Agent has not received a written notice of a change of address; or (v) if clauses (i) through (iv) are not applicable, at the last address directed by such holder in a Filing made after such Claim or Interest becomes an Allowed Claim or Allowed Interest.

###### b. SPECIAL PROVISIONS FOR DISTRIBUTIONS TO HOLDERS OF BONDHOLDER CLAIMS AND INTERESTS ON ACCOUNT OF OLD COMMON STOCK OF DANA

i. Subject to the requirements of Section VI.K and Section VI.E.1.b.ii below, distributions to holders of Allowed Bondholder Claims will be made by a Disbursing Agent to the record holders of the Bonds as of the Distribution Record Date, as identified on a record holder register to be provided to the Disbursing Agent by the Indenture Trustee within five Business Days after the Distribution Record Date. This record holder register (A) will provide the name, address and holdings of each respective registered holder as of the Distribution Record Date and (B) must be consistent with the applicable holder's Claim, if Filed, or as otherwise determined by the Court.

ii. With respect to the Allowed Bondholder Claims, on the Effective Date (or as soon as practicable thereafter in accordance with Section VI.A), a Disbursing Agent will distribute the Distributable Shares of New Dana Holdco Common Stock and Distributable Excess Minimum Cash on account of the Allowed Bondholder Claims to the Indenture Trustee. The Indenture Trustee then will distribute the New Dana Holdco Common Stock and Distributable Excess Minimum Cash in accordance with the Plan to the holders of the Allowed Bondholder Claims who surrender the Bonds to the Indenture Trustee in accordance with Sections V.I.1 and VI.K. For purposes of distributions under this Section, the Indenture Trustee shall be considered a Disbursing Agent.

iii. Subject to the requirements of Section VI.K, any distributions to holders of Allowed Interests on account of Old Common Stock of Dana will be made by a Disbursing Agent at the address of such record holder listed with the registrar or transfer agent for such Interest, to be provided by such registrar or transfer agent to the Disbursing Agent within five Business Days after the Distribution Record Date.

iv. The Debtors, the Reorganized Debtors and any Disbursing Agent shall only be required to act and make distributions in accordance with the terms of the Plan. Such parties shall have no (A) liability to any party for actions taken in accordance with the Plan or in reliance upon information provided to it

in accordance with the Plan or (B) obligation or liability for distributions under the Plan to any party who does not hold a Claim against or Interest in the Debtors as of the Distribution Record Date or who does not otherwise comply with the terms of the Plan, including Sections V.I and VI.K.

2. UNDELIVERABLE DISTRIBUTIONS HELD BY DISBURSING AGENTS

a. HOLDING OF UNDELIVERABLE DISTRIBUTIONS; UNDELIVERED NEW DANA HOLDCO COMMON STOCK

i. Subject to Section VI.E.2.c, distributions returned to a Disbursing Agent or otherwise undeliverable will remain in the possession of the applicable Disbursing Agent pursuant to this Section VI.E.2.a.i until such time as a distribution becomes deliverable. Subject to Section VI.E.2.c, undeliverable Cash or New Dana Holdco Common Stock will be held by the applicable Disbursing Agent for the benefit of the potential claimants of such Cash or New Dana Holdco Common Stock.

ii. Pending the distribution of any New Dana Holdco Common Stock, the Disbursing Agent shall vote, and shall be deemed to vote, all New Dana Holdco Common Stock held by such Disbursing Agent, whether relating to undeliverable distributions or undelivered distributions, in the same proportion as all outstanding shares of New Dana Holdco Common Stock properly cast in a shareholder vote.

b. AFTER DISTRIBUTIONS BECOME DELIVERABLE

On each Periodic Distribution Date, the applicable Disbursing Agent will make all distributions that become deliverable to holders of Allowed Claims and, as applicable, Allowed Interests during the preceding calendar quarter; provided, however, that the applicable Disbursing Agent may, in its sole discretion, establish a record date prior to each Periodic Distribution Date, such that only Claims Allowed as of the record date will participate in such periodic distribution. Notwithstanding the foregoing, the applicable Disbursing Agent reserves the right, to the extent it determines a distribution on any Periodic Distribution Date is uneconomical or unfeasible, or is otherwise inadvisable, to postpone a Periodic Distribution Date.

c. FAILURE TO CLAIM UNDELIVERABLE DISTRIBUTIONS

Any holder of an Allowed Claim or Allowed Interest that does not assert a claim pursuant to the Plan for an undeliverable distribution to be made by a Disbursing Agent within one year after the later of (i) the Effective Date and (ii) the last date on which a distribution was deliverable to such holder will have its claim for such undeliverable distribution discharged and will be forever barred from asserting any such claim against the Reorganized Debtors. In such cases, unclaimed distributions will become property of New Dana Holdco, free of any restrictions thereon, and any such unclaimed distribution held by a Third Party Disbursing Agent will be returned to New Dana Holdco. Nothing contained in the Plan will require any Debtor, Reorganized Debtor or Disbursing Agent to attempt to locate any holder of an Allowed Claim or an Allowed Interest.

F. TIMING AND CALCULATION OF AMOUNTS TO BE DISTRIBUTED

1. DISTRIBUTIONS TO HOLDERS OF ALLOWED CLAIMS IN CLASSES OTHER THAN 5B, 5C, 5D, 5E, 5F AND 7B

Subject to Section VI.A, on the Effective Date, each holder of an Allowed Claim in a Class other than 5B, 5C, 5D, 5E, 5F and 7B will receive the full amount of the distributions that the Plan provides for Allowed Claims in the applicable Class. No later than each Periodic Distribution Date, distributions also will be made to holders of Disputed Claims in any such Class that were allowed during the preceding calendar quarter. Such periodic distributions also will be in the full amount that the Plan provides for Allowed Claims in the applicable Class.

2. POSTPETITION INTEREST ON CLAIMS

Except as expressly provided in the Plan, the Confirmation Order or any contract, instrument, release, settlement or other agreement entered into in connection with the Plan, or as required by applicable bankruptcy law, Postpetition Interest shall not accrue on account of any Claim.

3. POST-EFFECTIVE DATE INTEREST ON CLAIMS

Post-Effective Date interest shall not accrue on account of any Claim.

4. DISTRIBUTIONS TO HOLDERS OF ALLOWED CLAIMS IN CLASSES 5B, 5C, 5D, 5E AND 5F

a. INITIAL DISTRIBUTIONS TO HOLDERS OF ALLOWED CLAIMS IN CLASSES 5B, 5C, 5D, 5E AND 5F

Subject to Section VI.A, on the Effective Date, the Disbursing Agent will distribute to each holder of an Allowed Claim in Classes 5B, 5C, 5D, 5E and 5F its Pro Rata share of the Distributable Shares of New Dana Holdco Common Stock and Distributable Excess Minimum Cash.

If, prior to a Periodic Distribution Date, a Disputed Claim in Classes 5B, 5C, 5D, 5E or 5F is Allowed in an amount that is less than the amount utilized by the Disbursing Agent in calculating the initial distribution, the applicable amount of Reserved Shares and Reserved Excess Minimum Cash will be distributed, subject to Section VI.F.4.b, to the applicable holders of Allowed Claims in Classes 5B, 5C, 5D, 5E and 5F on the next Periodic Distribution Date.

b. PERIODIC DISTRIBUTIONS TO HOLDERS OF ALLOWED CLAIMS IN CLASSES 5B, 5C, 5D, 5E AND 5F

On the applicable Periodic Distribution Date, the Disbursing Agent will distribute to each holder of an Allowed Claim in Classes 5B, 5C, 5D, 5E and 5F its Pro Rata share of the Reserved Shares and Reserved Excess Minimum Cash, until such time as all Disputed Claims entitled to such distributions have been resolved. On an applicable Periodic Distribution Date, a holder of an Allowed Claim in Classes 5B, 5C, 5D, 5E and 5F that ceased being a Disputed Claim subsequent to the Effective Date will receive a Catch-Up Distribution. The Disbursing Agent may, in its sole discretion, establish a record date prior to each Periodic Distribution Date, such that only Claims Allowed as of the record date will participate in such periodic distribution. Notwithstanding the foregoing, the Disbursing Agent reserves the right, to the extent it determines a distribution on any Periodic Distribution Date is uneconomical or unfeasible, or is otherwise unadvisable, to postpone a Periodic Distribution Date.

5. DISTRIBUTIONS TO HOLDERS OF ALLOWED INTERESTS IN CLASS 7A AND ALLOWED CLAIMS IN CLASS 7B

a. INITIAL DISTRIBUTIONS TO HOLDERS OF ALLOWED INTERESTS IN CLASS 7A AND ALLOWED CLAIMS IN CLASS 7B

On the Periodic Distribution Date upon which (a) all Disputed Claims in Classes other than Class 7B entitled to distributions have been resolved and (b) all distributions to which the holders of such Claims are entitled pursuant to the terms of the Plan will be made from the Disputed Unsecured Claims Reserve, the Disbursing Agent will distribute to each holder of an Allowed Interest in Class 7A and an Allowed Claim in Class 7B its Pro Rata share of the Reserved Shares and Reserved Excess Minimum Cash remaining in the Disputed Unsecured Claims Reserve, if any. For the purpose of calculating the amount of Reserved Shares and Reserved Excess Minimum Cash to be initially distributed to holders of Allowed Interests in Class 7A and Allowed Claims in Class 7B, all Disputed Claims in Class 7B will be treated as though such Claims will be Allowed Claims in the principal amount of such Claims, or as estimated by the Bankruptcy Court, as applicable.

If, prior to a Periodic Distribution Date, a Disputed Claim in Class 7B is Allowed in an amount that is less than the amount utilized by the Disbursing Agent in calculating the initial distribution, the applicable



Reserved Shares and Reserved Excess Minimum Cash will be distributed, subject to Section VI.F.5.b, to the applicable holders of Allowed Interests in Class 7A and Allowed Claims in Class 7B on the next Periodic Distribution Date.

b. PERIODIC DISTRIBUTIONS TO HOLDERS OF ALLOWED INTERESTS IN CLASS 7A AND ALLOWED CLAIMS IN CLASS 7B

On the applicable Periodic Distribution Date, the Disbursing Agent will distribute to each holder of an Allowed Interest in Class 7A and an Allowed Claim in Class 7B its Pro Rata share of the Reserved Shares and Reserved Excess Minimum Cash, until such time as all Disputed Claims in Class 7B entitled to such distributions have been resolved. On an applicable Periodic Distribution Date, a holder of an Allowed Claim in Class 7B that ceased being a Disputed Claim subsequent to the Effective Date will receive a Catch-Up Distribution. The Disbursing Agent may, in its sole discretion, establish a record date prior to each Periodic Distribution Date, such that only Claims Allowed as of the record date will participate in such periodic distribution. Notwithstanding the foregoing, the Disbursing Agent reserves the right, to the extent it determines a distribution on any Periodic Distribution Date is uneconomical or unfeasible, or is otherwise unadvisable, to postpone a Periodic Distribution Date.

6. DISTRIBUTIONS OF NEW DANA HOLDCO COMMON STOCK - NO FRACTIONAL SHARES; ROUNDING

Notwithstanding any other provision of the Plan, only whole numbers of shares of New Dana Holdco Common Stock will be distributed. For purposes of all distributions other than the distribution on the Final Distribution Date, fractional shares of New Dana Holdco Common Stock will be carried forward to the next Periodic Distribution Date. On the Final Distribution Date, fractional shares of New Dana Holdco Common Stock will be rounded up or down to the nearest whole number or zero, as applicable. No New Dana Holdco Common Stock will be distributed on account of fractional shares that are rounded down.

7. DE MINIMIS DISTRIBUTIONS

A Disbursing Agent will not distribute Cash (including Excess Minimum Cash) or New Dana Holdco Common Stock to the holder of an Allowed Claim or Allowed Interest, as applicable, if the amount of Cash (including Excess Minimum Cash) or New Dana Holdco Common Stock to be distributed on the particular Periodic Distribution Date does not constitute a final distribution to such holder and is, or has an economic value of, less than \$500.

8. ADMINISTRATION AND DISTRIBUTION OF UNION EMERGENCE SHARES

Notwithstanding anything in the Plan to the contrary, the Union Emergence Shares shall be administered and distributed in accordance with Appendix J to the Union Settlement Agreements.

G. DISTRIBUTION RECORD DATE

1. A Disbursing Agent will have no obligation to recognize the transfer of, or the sale of any participation in, any Allowed Claim that occurs after the Distribution Record Date and will be entitled for all purposes herein to recognize and make distributions only to those holders of Allowed Claims that are holders of such Claims, or participants therein, as of the Distribution Record Date.

2. As of the close of business on the Distribution Record Date, each transfer register for (a) the Bonds, as maintained by the Indenture Trustee, and (b) the Old Common Stock of Dana, as maintained by the transfer agent, will be closed. The applicable Disbursing Agent will have no obligation and is not permitted to recognize the transfer or sale of any Bondholder Claim or Interest on account of Old Common Stock of Dana that occurs after the close of business on the Distribution Record Date and will be entitled for all purposes herein to recognize and make distributions only to those holders who are holders of such Claims or Interests as of the close of business on the Distribution Record Date.

3. Except as otherwise provided in a Final Order, the transferees of Claims that are transferred pursuant to Bankruptcy Rule 3001 prior to the Distribution Record Date will be treated as the holders of such Claims for all purposes, notwithstanding that any period provided by Bankruptcy Rule 3001 for objecting to such transfer has not expired by the Distribution Record Date.

#### H. MEANS OF CASH PAYMENTS

Except as otherwise specified herein, Cash payments made pursuant to the Plan will be by checks drawn on a domestic bank selected by the applicable Disbursing Agent or, at the option of the applicable Disbursing Agent, by wire transfer from a domestic bank.

#### I. FOREIGN CURRENCY EXCHANGE RATE

Except as otherwise provided in the Plan or a Bankruptcy Court order, as of the Effective Date, any General Unsecured Claim asserted in a currency other than U.S. dollars shall automatically be deemed converted to the equivalent U.S. dollar value using the exchange rate as of March 2, 2006, as set forth in the Federal Reserve Statistical Release for such date.

#### J. ESTABLISHMENT OF RESERVES

The Debtors or Reorganized Debtors may establish any reserves that they deem necessary or advisable to make distributions to holders of Allowed Claims or otherwise to satisfy their obligations under the Plan.

#### K. SURRENDER OF CANCELED INSTRUMENTS OR SECURITIES

##### 1. TENDER OF BONDS

Except as provided in Section VI.K.2 for lost, stolen, mutilated or destroyed Bonds, each holder of any Bond not held through book entry must tender such Bond to the applicable Third Party Disbursing Agent in accordance with a letter of transmittal to be provided to such holders by the Third Party Disbursing Agent as promptly as practicable following the Effective Date. The letter of transmittal will include, among other provisions, customary provisions with respect to the authority of the holder of such Bond to act and the authenticity of any signatures required thereon. All surrendered Bonds will be marked as canceled and delivered to the Reorganized Debtors.

##### 2. LOST, STOLEN, MUTILATED OR DESTROYED BONDS

Any holder of an Allowed Bondholder Claim with respect to which the underlying Bond has been lost, stolen, mutilated or destroyed must, in lieu of surrendering such Bond, deliver to the Third Party Disbursing Agent: (a) evidence satisfactory to the Third Party Disbursing Agent of the loss, theft, mutilation or destruction; and (b) such security or indemnity as may be required by the Third Party Disbursing Agent to hold the Third Party Disbursing Agent, the Debtors and Reorganized Debtors harmless from any damages, liabilities or costs incurred in treating such individual as a holder of such Bond. Upon compliance with this Section VI.K.2 by a holder of an Allowed Bondholder Claim, such holder will, for all purposes under the Plan, be deemed to have surrendered the applicable Bond.

##### 3. FAILURE TO SURRENDER BONDS

Any holder of a Bond not held through book entry that fails to surrender or is deemed not to have surrendered the applicable Bond within one year after the Effective Date will have its right to distributions pursuant to the Plan on account thereof discharged and will be forever barred from asserting any such Claim against the Reorganized Debtors or their respective property. In such case, any New Dana Holdco Common Stock held for distribution on account thereof will be treated pursuant to the provisions set forth in Section VI.E.2.c.

#### 4. TENDER OF OLD COMMON STOCK OF DANA

Except as provided in Section VI.K.5 for lost, stolen, mutilated or destroyed certificates of Old Common Stock of Dana, each holder of Old Common Stock of Dana not held through book entry must tender the Old Common Stock of Dana certificates to the Third Party Disbursing Agent in accordance with a letter of transmittal to be provided to such holders by the Third Party Disbursing Agent on or before the Effective Date. The letter of transmittal will include, among other provisions, customary provisions with respect to the authority of the holder of such certificates to act and the authenticity of any signatures required thereon. All surrendered certificates of Old Common Stock of Dana will be marked as canceled and delivered to the Reorganized Debtors.

#### 5. LOST, STOLEN, MUTILATED OR DESTROYED OLD COMMON STOCK OF DANA

Any holder of an Allowed Interest on account of Old Common Stock of Dana with respect to which the underlying Old Common Stock of Dana certificate has been lost, stolen, mutilated or destroyed must, in lieu of surrendering such certificate, deliver to the Third Party Disbursing Agent: (a) evidence satisfactory to the Third Party Disbursing Agent of the loss, theft, mutilation or destruction; and (b) such security or indemnity as may be required by the Third Party Disbursing Agent to hold the Third Party Disbursing Agent, the Debtors and the Reorganized Debtors harmless from any damages, liabilities or costs incurred in treating such individual as a holder of such Old Common Stock of Dana. Upon compliance with this Section VI.K.5 by a holder of an Allowed Interest on account of Old Common Stock of Dana, such holder will, for all purposes under the Plan, be deemed to have surrendered the applicable stock certificate.

#### 6. FAILURE TO SURRENDER OLD COMMON STOCK OF DANA

Any holder of an Allowed Interest on account of Old Common Stock of Dana not held through book entry that fails to surrender or is deemed not to have surrendered the applicable stock certificate will have its right to receive distributions pursuant to the Plan on account of its Allowed Interest discharged and will be forever barred from asserting any such Interest or related Claims against the Debtors, Reorganized Debtors or their respective property.

#### L. WITHHOLDING AND REPORTING REQUIREMENTS

1. In connection with the Plan, to the extent applicable, each Disbursing Agent will comply with all applicable Tax withholding and reporting requirements imposed on it by any governmental unit, and all distributions pursuant to the Plan will be subject to applicable withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, each Disbursing Agent will be authorized to take any actions that may be necessary or appropriate to comply with such withholding and reporting requirements, including, without limitation, liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding Taxes or establishing any other mechanisms the Disbursing Agent believes are reasonable and appropriate, including requiring Claim holders to submit appropriate Tax and withholding certifications. To the extent any Claim holder fails to submit appropriate Tax and withholding certifications as required by the Disbursing Agent, such Claim holder's distribution will be deemed undeliverable and subject to Section VI.E.2.

2. Notwithstanding any other provision of the Plan, each entity receiving a distribution of Cash or New Dana Holdco Common Stock pursuant to the Plan will have sole and exclusive responsibility for the satisfaction and payment of any Tax obligations imposed on it by any governmental unit on account of the distribution, including income, withholding and other Tax obligations.

3. The Debtors reserve the right to allocate and distribute all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support and other spousal awards, liens and similar encumbrances.

## M. SETOFFS

Except with respect to claims of a Debtor or Reorganized Debtor released pursuant to the Plan or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, each Reorganized Debtor or, as instructed by a Reorganized Debtor, a Third Party Disbursing Agent may, pursuant to section 553 of the Bankruptcy Code or applicable nonbankruptcy law, set off against any Allowed Claim and the distributions to be made pursuant to the Plan on account of the Claim (before any distribution is made on account of the Claim) the claims, rights and causes of action of any nature that the applicable Debtor or Reorganized Debtor may hold against the holder of the Allowed Claim; provided, however, that neither the failure to effect a setoff nor the allowance of any Claim hereunder will constitute a waiver or release by the applicable Debtor or Reorganized Debtor of any claims, rights and causes of action that the Debtor or Reorganized Debtor may possess against the Claim holder.

## N. APPLICATION OF DISTRIBUTIONS

To the extent applicable, all distributions to a holder of an Allowed Claim will apply first to the principal amount of such Claim until such principal amount is paid in full and then to any interest accrued on such Claim prior to the Petition Date, and the remaining portion of such distributions, if any, will apply to any interest accrued on such Claim after the Petition Date.

### ARTICLE VII.

#### PROCEDURES FOR RESOLVING DISPUTED CLAIMS

## A. TREATMENT OF DISPUTED CLAIMS

### 1. ADR PROCEDURES

At the Debtors' or, after the Effective Date, the Reorganized Debtors' option, any Disputed Claim may be submitted to the ADR Procedures in accordance with the terms of the ADR Procedures. Disputed Claims not resolved through the ADR Procedures will be resolved pursuant to the Plan.

### 2. TORT CLAIMS

At the Debtors' or, after the Effective Date, the Reorganized Debtors' option, any unliquidated Tort Claim (as to which a proof of Claim was timely Filed in the Chapter 11 Cases) not resolved through the ADR Procedures will be determined and liquidated in the administrative or judicial tribunal(s) in which it is pending on the Effective Date or, if no action was pending on the Effective Date, in any administrative or judicial tribunal of appropriate jurisdiction. The Debtors or the Reorganized Debtors may exercise the above option by service upon the holder of the applicable Tort Claim of a notice informing the holder of such Tort Claim that the Debtors or the Reorganized Debtors have exercised such option. Upon a Debtor's or Reorganized Debtor's service of such notice, the automatic stay provided under section 362 of the Bankruptcy Code, or after the Effective Date, the discharge injunction, will be deemed modified, without the necessity for further Bankruptcy Court approval, solely to the extent necessary to allow the parties to determine or liquidate the Tort Claim in the applicable administrative or judicial tribunal(s). Notwithstanding the foregoing, at all times prior to or after the Effective Date, the Bankruptcy Court will retain jurisdiction relating to Tort Claims, including the Debtors' right to have such Claims determined and/or liquidated in the Bankruptcy Court (or the United States District Court having jurisdiction over the Chapter 11 Cases) pursuant to Section 157(b)(2)(B) of title 28 of the United States Code, as may be applicable. Any Tort Claim determined and liquidated pursuant to a judgment obtained in accordance with this Section VII.A.2 and applicable non-bankruptcy law that is no longer appealable or subject to review will be deemed an Allowed Claim, as applicable, in Classes 5A, 5B, 5C, 5D, 5E and 5F against the applicable Debtor in such liquidated amount, provided that only the amount of such Allowed Claim that is less than or equal to the Debtor's self-insured retention or deductible in connection with any applicable insurance policy and is not satisfied from proceeds of insurance payable to the holder of such Allowed Claim under the Debtors' insurance policies will be treated as an Allowed Claim for the purposes of distributions under the Plan. In no event will a distribution be made under the Plan to the holder of a Tort Claim on account of any portion of an Allowed Claim in excess of the applicable Debtor's

deductible or self-insured retention under any applicable insurance policy. In the event a Tort Claim is determined and liquidated pursuant to a judgment or order that is obtained in accordance with this Section VII.A.2 and is no longer appealable or subject to review, and applicable non-bankruptcy law provides for no recovery against the applicable Debtor, such Tort Claim will be deemed expunged without the necessity for further Bankruptcy Court approval upon the applicable Debtor's service of a copy of such judgment or order upon the holder of such Tort Claim. Nothing contained in this Section will constitute or be deemed a waiver of any claim, right or cause of action that a Debtor may have against any person or entity in connection with or arising out of any Tort Claim, including but not limited to any rights under section 157(b)(5) of title 28 of the United States Code. All claims, demands, rights, defenses and causes of action that the Debtors or the Reorganized Debtors may have against any person or entity in connection with or arising out of any Tort Claim are expressly retained and preserved.

### 3. DISPUTED INSURED CLAIMS

The resolution of Disputed Insured Claims, including Tort Claims, pursuant to this Section VII.A shall be subject to the provisions of Section V.H of the Plan.

### 4. NO DISTRIBUTIONS PENDING ALLOWANCE

Notwithstanding any other provision of the Plan, no payments or distributions will be made on account of a Disputed Claim until such Claim becomes an Allowed Claim, if ever. In lieu of distributions under the Plan to holders of Disputed Claims in Classes 5B, 5C, 5D, 5E and 5F, the Disputed Unsecured Claims Reserve will be established on the Effective Date to hold the Disputed Unsecured Claims Reserve Assets for the benefit of those Claim holders.

## B. PROSECUTION OF OBJECTIONS TO CLAIMS

### 1. OBJECTIONS TO CLAIMS

All objections to Claims must be Filed and served on the holders of such Claims, and any amendment to the Schedules to reduce the scheduled Claim of such holder must be made by the Debtors or the Reorganized Debtors by the Claims Objection Bar Date. If an objection has not been Filed to a Claim or an amendment has not been made to the Schedules with respect to a scheduled Claim by the Claims Objection Bar Date, the particular Claim will be treated as an Allowed Claim if such Claim has not been allowed earlier.

### 2. AUTHORITY TO PROSECUTE OBJECTIONS

#### a. OBJECTIONS FILED PRIOR TO THE EFFECTIVE DATE

After the Confirmation Date, but prior to the Effective Date, the Debtors and the Creditors' Committee will have the authority to File, settle, compromise, withdraw or litigate to judgment objections to Claims, including pursuant to any alternative dispute resolution or similar procedures approved by the Bankruptcy Court.

#### b. OBJECTIONS FILED ON OR AFTER THE EFFECTIVE DATE

Except as provided herein, on or after the Effective Date, the Reorganized Debtors, in consultation with the Creditor Oversight Committee, will have the sole authority to File, settle, compromise, withdraw or litigate to judgment objections to Claims, including pursuant to any alternative dispute resolution or similar procedures approved by the Bankruptcy Court. In the event that the Reorganized Debtors have not Filed an objection to a General Unsecured Claim within 20 days of their receipt of a written request from the Creditor Oversight Committee that the Reorganized Debtors File such an objection, which written request shall in no event be served upon the Reorganized Debtors prior to the later of (i) 100 days after the Effective Date or (ii) 45 days after the Filing of a proof of Claim for such General Unsecured Claim, the Creditor Oversight Committee shall have the right to File an objection to such General Unsecured Claim.

C. SETTLEMENT OR COMPROMISE OF DISPUTED CLAIMS ON OR AFTER THE EFFECTIVE DATE

On or after the Effective Date, only the Reorganized Debtors, in consultation with the Creditor Oversight Committee, may settle or compromise any Disputed Claim or any objection or controversy relating to any Claim, without approval of the Bankruptcy Court; provided, however, that if the Creditor Oversight Committee Files an objection to such settlement or compromise within ten Business Days of receiving written notice of such settlement or compromise, unless agreed to otherwise by the Parties, Bankruptcy Court approval will be required.

3. AUTHORITY TO AMEND SCHEDULES

The Debtors or Reorganized Debtors, as applicable, will have the authority to amend the Schedules with respect to any Claim and to make distributions based on such amended Schedules without approval of the Bankruptcy Court. If any such amendment to the Schedules reduces the amount of a Claim or changes the nature or priority of a Claim, the Debtor or Reorganized Debtor will provide (a) the holder of such Claim and (b) the Creditors' Committee or Creditor Oversight Committee (as applicable) with notice of such amendment and such parties will have 20 days to File an objection to such amendment with the Bankruptcy Court. If no such objection is Filed, the applicable Disbursing Agent may proceed with distributions based on such amended Schedules without approval of the Bankruptcy Court.

C. DISTRIBUTIONS ON ACCOUNT OF DISPUTED CLAIMS ONCE ALLOWED

Distributions on account of Disputed Claims that become Allowed Claims after the Effective Date shall be made in accordance with Article VI of the Plan.

ARTICLE VIII.  
CONSOLIDATION OF THE DEBTORS

A. CONSOLIDATION

Pursuant to the Confirmation Order, the Bankruptcy Court shall approve the consolidation of the Consolidated Debtors solely for the purpose of implementing the Plan, including for purposes of voting, Confirmation and distributions to be made under the Plan. Pursuant to such order: (1) all assets and Liabilities of the Consolidated Debtors will be deemed merged; (2) all guarantees by one Consolidated Debtor of the obligations of any other Consolidated Debtor will be deemed eliminated so that any Claim against any Consolidated Debtor and any guarantee thereof executed by any other Consolidated Debtor and any joint or several liability of any of the Consolidated Debtors will be deemed to be one obligation of the Consolidated Debtors; and (3) each and every Claim Filed or to be Filed in the Chapter 11 Case of any of the Consolidated Debtors will be deemed Filed against the Consolidated Debtors and will be deemed one Claim against and a single obligation of the Consolidated Debtors.

Such consolidation (other than for the purpose of implementing the Plan) shall not affect: (1) the legal and corporate structures of the Consolidated Debtors, subject to the right of the Consolidated Debtors to effect restructurings as provided in Section V.B; (2) pre- and post-Effective Date guarantees, liens and security interests that are required to be maintained (a) in connection with contracts or leases that were entered into during the Chapter 11 Cases or Executory Contracts and Unexpired Leases that have been or will be assumed or (b) pursuant to the Plan; (3) Interests between and among the Consolidated Debtors; (4) distributions from any insurance policies or proceeds of such policies; and (5) the revesting of assets in the separate Reorganized Debtors pursuant to Section V.A.

B. ORDER GRANTING CONSOLIDATION

This Plan shall serve as a motion seeking entry of an order consolidating the Consolidated Debtors, as described and to the limited extent set forth in Section VIII.A above. Unless an objection to such consolidation is made in writing by any creditor affected by the Plan, Filed with the Bankruptcy Court and served on the parties listed in Section X.F on or before five days before either the Voting Deadline or such other date as may be fixed by the Bankruptcy Court, the consolidation order (which may be the Confirmation Order) may be entered

by the Bankruptcy Court. In the event any such objections are timely Filed, a hearing with respect thereto shall occur at or before the Confirmation Hearing. Notwithstanding this provision, nothing herein shall affect the obligation of each and every Debtor to pay quarterly fees to the Office of the United States Trustee in accordance with 28 U.S.C. Section 1930.

ARTICLE IX.  
RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court will retain such jurisdiction over the Chapter 11 Cases after the Effective Date as is legally permissible, including jurisdiction to:

A. Allow, disallow, determine, liquidate, reduce, classify, re-classify, estimate or establish the priority or secured or unsecured status of any Claim or Interest (other than the liquidation of any Tort Claim in litigation that is Reinstated pursuant to the Plan and Asbestos Personal Injury Claims), including the resolution of any request for payment of any Administrative Claim and the resolution of any objections to the amount, allowance, priority or classification of Claims or Interests;

B. Either grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan for periods ending on or before the Effective Date;

C. Resolve any matters related to the assumption, assumption and assignment or rejection of any Executory Contract or Unexpired Lease to which any Debtor is a party or with respect to which any Debtor or Reorganized Debtor may be liable and to hear, determine and, if necessary, liquidate any Claims arising therefrom, including any Cure Amount Claims;

D. Ensure that distributions to holders of Allowed Claims and Allowed Interests are accomplished pursuant to the provisions of the Plan;

E. Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and either grant or deny any applications involving any Debtor or any Reorganized Debtor that may be pending on the Effective Date or brought thereafter;

F. Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents entered into or delivered in connection with the Plan, the Creditor Oversight Committee Agreement, the Disclosure Statement or the Confirmation Order;

G. Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan, the Creditor Oversight Committee Agreement or any contract, instrument, release or other agreement or document that is entered into or delivered pursuant to the Plan, the Creditor Oversight Committee Agreement or any entity's rights arising from or obligations incurred in connection with the Plan, the Creditor Oversight Committee Agreement or such documents;

H. Modify the Plan before or after the Effective Date pursuant to section 1127 of the Bankruptcy Code; modify the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order; or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into, delivered or created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan;

I. Issue injunctions, enforce the injunctions contained in the Plan and the Confirmation Order, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any entity with consummation, implementation or enforcement of the Plan or the Confirmation Order;

J. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason or in any respect modified, stayed, reversed, revoked or vacated or distributions pursuant to the Plan are enjoined or stayed;

K. Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

L. Enforce or clarify any orders previously entered by the Bankruptcy Court in the Chapter 11 Cases;

M. Enter a final decree or decrees closing the Chapter 11 Cases;

N. Determine matters concerning state, local and federal Taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code, including any Disputed Claims for Taxes;

O. Recover all assets of the Debtors and their Estates, wherever located; and

P. Hear any other matter not inconsistent with the Bankruptcy Code.

#### ARTICLE X. MISCELLANEOUS PROVISIONS

##### A. MODIFICATION OF THE PLAN

Subject to the restrictions on alteration, amendment and modification set forth in section 1127 of the Bankruptcy Code, the Appaloosa Investment Agreement, the Appaloosa Plan Support Agreement and Appendix R to the Union Settlement Agreements, the Debtors reserve the right to alter, amend or modify the Plan before the Effective Date.

##### B. REVOCATION OF THE PLAN

The Debtors reserve the right to revoke or withdraw the Plan prior to the Confirmation Date. If the Debtors revoke or withdraw the Plan, or if Confirmation does not occur, then the Plan will be null and void in all respects, and nothing contained in the Plan will: (1) constitute a waiver or release of any claims by or against, or any Interests in, any Debtor; (2) prejudice in any manner the rights of any Debtor or any other party in interest; or (3) constitute an admission of any sort by any Debtor or any other party in interest.

##### C. SEVERABILITY OF PLAN PROVISIONS

If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order will constitute a judicial determination and will provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

##### D. SUCCESSORS AND ASSIGNS

The rights, benefits and obligations of any entity named or referred to in the Plan will be binding on, and will inure to the benefit of, any heir, executor, administrator, successor or assign of such entity.

##### E. THE APPALOOSA INVESTMENT AGREEMENT AND UNION SETTLEMENT AGREEMENTS

Nothing in this Plan or the Disclosure Statement shall be deemed to be an amendment of the Appaloosa Investment Agreement or the Union Settlement Agreements. To the extent there is a conflict between



the terms of the Plan and the Appaloosa Investment Agreement and/or the Union Settlement Agreements, the terms of the Appaloosa Investment Agreement and/or the Union Settlement Agreements shall control.

F. SERVICE OF DOCUMENTS

Any pleading, notice or other document required by the Plan or the Confirmation Order to be served on or delivered to (1) the Debtors and the Reorganized Debtors; (2) the Creditors' Committee; (3) the Retiree Committee; (4) the Ad Hoc Bondholders' Committee; (5) Appaloosa; or (6) the Unions must be sent by overnight delivery service, facsimile transmission, courier service or messenger to:

1. THE DEBTORS AND REORGANIZED DEBTORS

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3. THE RETIREE COMMITTEE

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(Counsel to the Unions)

Dated: \_\_\_\_\_, 2007

Respectfully submitted,

Dana Corporation, on its own behalf and  
on behalf of each affiliate Debtor

By:

-----  
Name: Marc S. Levin  
Title: Acting Secretary

-55-

COUNSEL:

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ATTORNEYS FOR DEBTORS  
AND DEBTORS IN POSSESSION

THIS AGREEMENT IS NOT AN OFFER WITH RESPECT TO ANY SECURITIES OR  
A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN. SUCH OFFER OR  
SOLICITATION ONLY WILL BE MADE IN COMPLIANCE WITH ALL  
APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE  
BANKRUPTCY CODE.

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PLAN SUPPORT AGREEMENT

by and among

DANA CORPORATION,  
UNITED STEELWORKERS,  
INTERNATIONAL UNION, UAW, AND  
APPALOOSA MANAGEMENT L.P.

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Dated as of \_\_\_\_\_, 2007

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PLAN SUPPORT AGREEMENT

This Plan Support Agreement (this "Agreement"), is entered into as of \_\_\_\_\_, 2007, by and among Dana Corporation ("Dana"), on behalf of itself and its subsidiaries operating as debtors and debtors-in-possession (together with Dana, the "Debtors") in the Chapter 11 Cases (as defined below); the United Steelworkers (the "USW"); the International Union, UAW (the "UAW"); and Appaloosa Management L.P. on behalf of itself and its affiliates ("Appaloosa"). Each of the Debtors, the USW, the UAW, Appaloosa and the Supporting Creditors is referred to herein individually as a "Party," and collectively, as the "Parties". As used herein, the words "this Agreement", "hereto", "hereunder" and words of like import shall mean this Agreement.

RECITALS

A. On March 3, 2006, the Debtors commenced jointly administered chapter 11 cases (together, the "Chapter 11 Cases") in the Bankruptcy Court (as defined below).

B. On March 3, 2006, Stroock & Stroock & Lavan LLP ("Stroock") was retained as counsel to an ad hoc group of holders of the Debtors' unsecured bonds (the "Ad Hoc Group").

C. On February 1, 2007, the Debtors filed the Motion and Memorandum of Law of Debtors and Debtors in Possession to Reject their Collective Bargaining Agreements and to Modify their Retiree Benefits Pursuant to Sections 1113 and 1114 of the Bankruptcy Code (the "1113/1114 Litigation").

D. In March and April 2007, the trial with respect to the 1113/1114 Litigation took place before the Bankruptcy Court.

E. Commencing April 2007, the Debtors, the USW, the UAW and their advisors engaged in discussions regarding a possible consensual resolution of (i) the 1113/1114 Litigation and (ii) all other issues between the Debtors and each of the USW and the UAW related to the Debtors' restructuring (the "Global Settlement"). The Global Settlement includes, among other things, the settlement of 1113/1114 Litigation reached by and among the Debtors and each of the Unions as of July 5, 2007, as amended (the "Union Settlement Agreements").

F. On August 1, 2007, the Bankruptcy Court entered an order approving the Global Settlement.

G. On \_\_\_\_\_, 2007, the Debtors accepted a proposal from Appaloosa pursuant to which Appaloosa will become the lead plan investor under the Global Settlement in accordance with the terms of the Investment Agreement (as defined below).

H. On \_\_\_\_\_, 2007, the USW and UAW consented to the transactions contemplated by the Investment Agreement in accordance with the terms of Appendix R of the Union Settlement Agreements.

I. This Agreement sets forth the Parties' agreement with respect to their support of a plan of reorganization for the Debtors in order to implement the Plan (as defined below) and the Investment Agreement.

J. Appaloosa will make the New Investment (as defined below) on the terms and on the conditions set forth in the Investment Agreement, which sets forth the obligations of Appaloosa to make the New Investment in exchange for certain Convertible Preferred Shares (as defined below) to be issued by Reorganized Dana under a confirmed Plan.

K. Subject to the terms of this Agreement, the Parties have agreed to work together to attempt to complete the negotiation of the terms of the Plan, as well as to resolve other outstanding issues, and to formulate and facilitate confirmation and consummation of the Plan and the transactions contemplated hereby; provided, however, that Dana will be the sole proponent of the Plan.

L. In so agreeing, the Parties do not desire and do not intend in any way to avoid, violate or diminish (i) the disclosure, solicitation and other requirements of applicable securities and bankruptcy laws or (ii) the fiduciary duties of the Debtors or any such other Party having such duties.

## AGREEMENT

### ARTICLE I

#### OVERVIEW OF CERTAIN DEFINED TERMS

1113/1114 Litigation	Has the meaning set forth in Recital C hereof
Ad Hoc Group	Has the meaning set forth in Recital B hereof
Agreement	Has the meaning set forth in the Preamble hereof
Appaloosa	Has the meaning set forth in the Preamble hereof
Bankruptcy Code	Means the Bankruptcy Reform Act of 1978, as amended, and codified at title 11 of the United States Code and as applicable to the Chapter 11 Cases
Bankruptcy Court	Means the United States Bankruptcy Court for the Southern District of New York
Bankruptcy Rules	Mean the Federal Rules of Bankruptcy Procedure
Chapter 11 Cases	Has the meaning set forth in Recital A hereof
Claim	Has the meaning ascribed to it in section 101 of the



Bankruptcy Code

Commitment Fee	Has the meaning set forth in the Investment Agreement attached hereto as Exhibit B
Confirmation Order	Means the order of the Bankruptcy Court approving the Debtors' Plan in form and substance reasonably acceptable to the USW, the UAW and Appaloosa
Convertible Preferred Shares	Means, collectively, the Series A Preferred and the Series B Preferred (both as defined in the Investment Agreement)
Creditors Committee	Has the meaning set forth in Section 8.4(a) hereof
Dana	Has the meaning set forth in the Preamble hereof
Debtors	Has the meaning set forth in the Preamble hereof
Disclosure Statement	Means a disclosure statement with respect to the Plan filed by the Debtors with the Bankruptcy Court
Disclosure Statement Order	Means the order of the Bankruptcy Court approving the Debtors' Disclosure Statement, which shall be in form and substance reasonably acceptable to the USW, the UAW and Appaloosa
Effective Date	Means a day, as determined by the Debtors and reasonably acceptable to Appaloosa, that is the business day as soon as reasonably practicable after all conditions to the effective date set forth in the Plan have been met or waived
Exit Facility	Has the meaning set forth in the form of Plan attached hereto as Exhibit A
Global Settlement	Has the meaning set forth in Recital E hereof
Investment Agreement	Means the Investment Agreement among Dana Corporation and Appaloosa, attached hereto as Exhibit B and incorporated herein by reference
Motion	Has the meaning set forth in section 2.1 hereof
New Investment	Means the proposed investment in the Reorganized Company by Appaloosa and other potential investors
Party or Parties	Has the meaning set forth in the Preamble hereof
Plan	Means the chapter 11 plan of reorganization of the Debtors,

which shall be reasonably acceptable to the USW, the UAW and Appaloosa and substantially in the form of the plan annexed hereto as Exhibit A

Reorganized Company	Means the Reorganized Debtors and their nondebtor subsidiaries
Reorganized Dana	Means a corporation that shall be the successor of Dana under a confirmed Plan
Reorganized Debtors	Means the Debtors, or any successor thereto, on or after the Effective Date of the Plan
Standby Purchasers	Has the meaning set forth in the Investment Agreement
Termination Event	Has the meaning set forth in section 6.1 hereof
UAW	Has the meaning set forth in the Preamble hereof
Unions	Means the authorized representatives of the USW and UAW
Union Settlement Agreements	Has the meaning set forth in Recital E
USW	Has the meaning set forth in the Preamble hereof
Unsecured Claims	Means unsecured nonpriority Claims other than: (i) subject to Appaloosa's reasonable approval as to the size of the Claims contained in such class, convenience class claims, and (ii) subject to Appaloosa's reasonable approval, (a) asbestos personal injury claims, (b) intercompany claims, (c) Dana Credit Corporation claims and (d) any Claims of the non-union retirees represented by the Official Committee of Non-Union Retirees

## ARTICLE II

### OBLIGATIONS OF THE DEBTORS

The Debtors presently believe that, subject to the exercise of their fiduciary duties as debtors and debtors-in-possession (after consultation with outside legal and financial advisors), prompt consummation of the Plan will facilitate the Debtors' reorganization and is in the best interests of their creditors, shareholders and other parties-in-interest. Accordingly, the Debtors hereby agree, subject to the exercise of their fiduciary duties as debtors and debtors-in-possession (after consultation with outside legal and financial advisors), to use reasonable best efforts to propose the Plan and prosecute confirmation and consummation thereof. Subject to the foregoing, for as long as this Agreement remains in effect, the Debtors agree to:

2.1 Prepare and file with the Bankruptcy Court a motion (the "Motion") seeking an order, which shall be in form and substance reasonably acceptable to the USW, UAW and Appaloosa, from the Bankruptcy Court (i) approving and authorizing the Debtors to enter into the Investment Agreement and this Agreement; and (ii) determining that the Parties' entry into, and performance of, their obligations under the Investment Agreement and this Agreement do not violate any law, including the Bankruptcy Code, and do not give rise to any claim or remedy against the Parties; and

2.2 Not object to any application under section 503(b) or inclusion as part of the Plan under section 1129(a)(4) by Stroock for its representation of the Ad Hoc Group for payment of its reasonable legal fees and expenses from the filing of the Debtors' chapter 11 cases to the Effective Date up to a cap of \$5 million; and

2.3 Not propose any Plan premised upon the use of section 382(l)(5) of the Internal Revenue Code and will propose only a Plan premised upon the use of section 382(l)(6) of the Internal Revenue Code; and

2.4 Engage in good faith negotiations with the other Parties and other parties in interest regarding the Plan, Disclosure Statement and other definitive documents that are consistent with this Agreement and that resolve all unresolved items reflected herein and/or are necessary to the implementation of the transactions contemplated by this Agreement; including, without limitation:

a. Using reasonable best efforts to negotiate with parties in interest and thereafter file an amended plan, substantially in the form of the Plan, and related Disclosure Statement by \_\_\_\_\_, 2007; and

b. Use reasonable best efforts to obtain entry by the Bankruptcy Court of the Confirmation Order on or before February 28, 2008.

### ARTICLE III

#### SUPPORT OBLIGATIONS OF THE USW, THE UAW AND APPALOOSA

Unless and until this Agreement has been terminated in accordance with its terms, each of the USW, the UAW and Appaloosa agrees (and shall cause its respective affiliates to agree) that:

3.1 It will support prosecution, confirmation and consummation of the Plan including without limitation, (i) the entry of the Disclosure Statement Order and (ii) the entry of the Confirmation Order, despite objection or the rejection of the Plan (whether by vote or operation of section 1126(g) of the Bankruptcy Code) by any impaired class; provided, however, that, for the avoidance of doubt, nothing in this subsection is an agreement by any of the USW or the UAW to vote to accept or reject the Plan.

3.2 It will not, nor will it encourage any other person or entity to, (i) object to, delay, impede, appeal, or take any other action, directly or indirectly, to interfere with, the entry of the

Disclosure Statement Order; (ii) commence any proceeding or prosecute, join in, or otherwise support any action to oppose or object to the Plan or Disclosure Statement; and (iii) delay, object to, impede, appeal, or take any other action, directly or indirectly, to interfere with the acceptance or confirmation of the Plan, the entry of the Confirmation Order or the occurrence of the Effective Date.

3.3 It will engage in good faith negotiations with the other Parties and other parties in interest regarding the Plan, Disclosure Statement and other definitive documents that are consistent with this Agreement and/or are necessary to the implementation of the transactions contemplated by this Agreement.

3.4 Appaloosa hereby acknowledges and agrees that it has completed such due diligence review as is required in order to commit to the New Investment and that its obligations hereunder are not subject to any due diligence condition. Without limiting the foregoing, the Debtors will continue to provide Appaloosa with such information and access as it reasonably requests.

3.5 With respect to the UAW and USW only, not object to any application under section 503(b) or as part of the Plan under section 1129(a)(4) by Stroock for its representation of the Ad Hoc Group for payment of its reasonable legal fees and expenses from the filing of the Debtors' Chapter 11 Cases to the Effective Date up to a cap of \$5 million.

3.6 With respect to Appaloosa only, support through publicly filed pleadings any application under section 503(b) or as part of the Plan under section 1129(a)(4) by Stroock for its representation of the Ad Hoc Group for payment of its reasonable legal fees and expenses from the filing of the Debtors' chapter 11 cases to the Effective Date up to a cap of \$5 million.

3.7 It will not support any Plan premised upon the use of section 382(l)(5) of the Internal Revenue Code and will support only a Plan premised upon the use of section 382(l)(6) of the Internal Revenue Code.

#### ARTICLE IV

##### PLAN FRAMEWORK

4.1 The Plan will contain the terms set forth in the form of Plan and the Investment Agreement, both of which are attached as Exhibits hereto and are incorporated herein by reference.

#### ARTICLE V

##### ADDITIONAL AGREEMENTS

The Parties acknowledge and agree that as a critical and integral part of the Global Settlement, the following agreements have been executed and delivered:

5.1 The Debtors have executed and delivered the Union Settlement Agreements, including the amendment dated as of the date hereof.

5.2 The USW and the UAW have executed and delivered their respective Union Settlement Agreement in accordance with their respective constitutions, including the amendment dated as of the date hereof; and

5.3 The Debtors and Appaloosa will execute and deliver the Investment Agreement.

## ARTICLE VI

### TERMINATION EVENTS

6.1 The occurrence of any of the following shall be a "Termination Event":

- a. The termination of the Investment Agreement once executed;
- b. The termination of any one of the Union Settlement Agreements;
- c. The Plan fails to become effective on or before May 1, 2008;
- d. Any court shall declare, in a final, non-appealable order, this Agreement to be unenforceable;
- e. The Debtors obtain approval of a disclosure statement other than the Disclosure Statement; or
- f. The Motion is denied by the Bankruptcy Court.

6.2 All obligations hereunder of all Parties shall terminate and shall be of no further force and effect:

- a. Automatically, and without written notice, upon the occurrence of the Termination Events described in Subsections 6.1(a), (b), (d), (e) and (f) above;
- b. Unless waived in writing by all Parties, upon written notice by one Party upon the occurrence of the Termination Events described in Subsection 6.1(c) above; and
- c. Automatically, and without written notice, immediately prior to the issuance of the common stock and Convertible Preferred Shares contemplated by the Plan and the Investment Agreement.

## ARTICLE VII

### GOVERNING LAW; JURISDICTION; VENUE

This Agreement shall be governed and construed in accordance with the internal laws of the State of New York without regard to any conflict of law provision that could require the application of the law of any other jurisdiction. By its execution and delivery of this Agreement, each Party hereby irrevocably and unconditionally agrees that the Bankruptcy Court will retain exclusive jurisdiction over all matters related to the construction, interpretation or enforcement

of this Agreement. Each Party further agrees to waive any objection based on forum non conveniens. Each Party waives any right it may have to a trial by jury and consents to the Bankruptcy Court hearing and determining any matters related to the construction, interpretation or enforcement of this Agreement and the Investment Agreement without regard to whether such matter is a core matter within the meaning of 28 U.S.C. Section 157(b).

#### ARTICLE VIII

##### IMPLEMENTATION

8.1 After execution of this Agreement by all Parties, the Debtors will file the Motion with the Bankruptcy Court. The USW and the UAW will timely file statements in support of the Motion with the Bankruptcy Court.

8.2 The Parties agree to negotiate in good faith all of the documents and transactions described in, or in connection with, this Agreement. Without limiting the foregoing, the Exit Facility will be with parties and on market terms reasonably acceptable to Appaloosa; provided that the Debtors shall have the obligation to consult with Appaloosa regarding such terms and parties.

8.3 All holders of allowed Unsecured Claims will be entitled to purchase shares of Series B Preferred at par value on a pro rata basis in accordance with the terms of the Investment Agreement. Any shares of Series B Preferred not purchased under the Series B Rights Offering will be purchased at par value by Appaloosa and the Standby Purchasers; provided, however, that Appaloosa and the Standby Purchasers shall receive a guaranteed minimum of 40% of the total aggregate of shares of Series B Preferred and the Commitment Fee as consideration for their agreement to purchase the excess shares of Series B Preferred.

8.4 (a) Any signatory who is a member of the Official Committee of Unsecured Creditors appointed in the Chapter 11 Cases (the "Creditors Committee") executes this Agreement only in its individual capacity and not as a member of the Creditors Committee, and nothing contained herein shall apply to limit the free and unrestricted performance of such signatory's duties as a member of the Creditors Committee, including, without limitation, the consideration and action, solely as a Creditors Committee member and not in its individual capacity, with respect to any competing plan of reorganization.

(b) Nothing contained herein shall restrict the right of a signatory to contact the Creditors Committee to provide comments on any relevant matter under Section 1102(b)(2)(B) of the Bankruptcy Code, including without limitation the signatory's views in favor of or against any competing plan of reorganization.

## ARTICLE IX

### GENERAL PROVISIONS

9.1 It is an express condition to the effectiveness of this Agreement that the Bankruptcy Court shall have entered an order approving the Motion.

9.2 Except as expressly provided in this Agreement, nothing contained herein (a) is intended to, or does, in any manner waive, limit, impair or restrict the ability of each of the Parties to protect and preserve its rights, remedies, and interests; (b) may be deemed an admission of any kind; or (c) effects a modification of any existing agreement until such time as the Bankruptcy Court may have approved such modification. If the transactions contemplated herein are not consummated, or if this Agreement is terminated for any reason, the Parties fully reserve any and all of their rights. Pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, this Agreement and all negotiations relating thereto are not admissible into evidence in any proceeding other than a proceeding to enforce the terms of this Agreement.

9.3 Appaloosa shall promptly deliver to the Debtors, the USW and the UAW written notice upon the termination of the Investment Agreement. The Debtors shall promptly deliver to Appaloosa, the USW and the UAW written notice upon the termination of the Investment Agreement.

9.4 The USW and/or the UAW shall deliver to the Debtors, the USW or the UAW (as applicable) and Appaloosa written notice upon the termination of any one of the Union Settlement Agreements as and when provided therein.

9.5 Each Party hereby acknowledges that this Agreement is not, and shall not be deemed to be, a solicitation to accept or reject a plan or the Plan in contravention of section 1125(b) of the Bankruptcy Code. Each Party further acknowledges that no securities of any Debtor are being offered or sold hereby and that this Agreement does not constitute an offer to sell or a solicitation of an offer to buy any securities of any Debtor.

9.6 Each Party, severally and not jointly, represents, covenants, warrants and agrees to each other Party, only as to itself and not as to each of the others, that the following statements, as applicable, are true, correct and complete as of the date hereof:

a. It has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder;

b. It is duly organized, validly existing, and in good standing under the laws of its state of organization and it has the requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder;

c. The execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary action on its part; provided, however, that the Debtors' authority to enter into this Agreement is subject to Bankruptcy Court approval;

d. This Agreement has been duly executed and delivered by it and constitutes its legal, valid, and binding obligation, enforceable in accordance with the terms hereof, subject to entry of the order approving the Motion;

e. The execution, delivery, and performance by it (when such performance is due) of this Agreement do not and shall not (i) violate any provision of law, rule, or regulation applicable to it or any of its affiliates or its certificate of incorporation or bylaws or other organizational documents or those of any of its affiliates or (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any material contractual obligation to which it or any of its affiliates is a party; and

f. There are no undisclosed agreements or commitments between or among the Parties or, to the knowledge of the Parties, any other parties regarding matters subject to the terms of this Agreement.

9.7 Except as otherwise specifically provided herein, this Agreement may not be modified, waived, amended or supplemented unless such modification, waiver, amendment or supplement is in writing and has been signed by each Party. No waiver of any of the provisions of this Agreement shall be deemed or constitute a waiver of any other provision of this Agreement, whether or not similar, nor shall any waiver be deemed a continuing waiver.

9.8 This Agreement is intended to bind and inure to the benefit of the Parties and their respective successors, assigns, heirs, executors, administrators, and representatives; provided, however, that nothing contained in this subsection shall be deemed to permit sales, assignments, delegations or transfers of this Agreement or any Party's rights or obligations hereunder.

9.9 Nothing contained in this Agreement is intended to confer any rights or remedies under or by reason of this Agreement on any person or entity other than the Parties hereto, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third party to any Party to this Agreement, nor shall any provision give any third party any right of subrogation or action over or against any Party to this Agreement.

9.10 All notices and other communications in connection with this Agreement shall be in writing and shall be deemed given (and shall be deemed to have been duly given upon receipt) if delivered personally, sent via electronic facsimile (with confirmation), mailed by registered or certified mail (return receipt requested) or delivered by an express courier (with confirmation) to the Parties at the following addresses:

a. If to the Debtors, to:

Dana Corporation  
4500 Dorr Street  
Toledo, OH 43615  
Facsimile: (419) 535-4790  
Attention: Marc S. Levin, Esq.

with a copy to:



Jones Day  
222 East 41st Street  
New York, NY 10017  
Facsimile: (212) 755-7306  
Attention: Corinne Ball, Esq.  
Marilyn W. Sonnie, Esq.

b. If to the USW, to:

United Steelworkers  
Five Gateway Center  
Pittsburgh, PA 15222  
Facsimile: (412) 562-2429  
Attention: David R. Jury, Esq.

c. If to the UAW, to:

International Union, UAW  
Solidarity House  
8000 East Jefferson Avenue  
Detroit, MI 48214  
Facsimile: (313) 926-5240  
Attention: Niraj R. Ganatra, Esq.

d. If to Appaloosa, to:

Appaloosa Management L.P.  
26 Main Street  
Chatham, NJ 07928  
Facsimile: (973) 701-7055  
Attention: James Bolin

with a copy to:

White & Case LLP  
1155 Avenue of the Americas  
New York, NY 10036  
Facsimile: (212) 354-8113  
Attention: Gerard Uzzi, Esq.  
Steven Teichman, Esq.

9.11 This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement. Delivery of an executed signature page of this Agreement by facsimile or electronic transmission shall be effective as delivery of a manually executed signature page of this Agreement.

9.12 This Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, whether oral or written, with respect to such subject matter. This Agreement is the product of negotiations among the Parties and represents the Parties' intentions. In any action to enforce or interpret this Agreement, this Agreement shall be construed in a neutral manner, and no term or provision of this Agreement, or this Agreement as a whole, shall be construed more or less favorably to any Party.

9.13 The agreements, representations and obligations of the Parties under this Agreement are, in all respects, several and not joint. Any breach of this Agreement by any Party shall not result in liability for any other non-breaching Party.

[Remainder of page intentionally blank; remaining pages are signature pages.]

IN WITNESS WHEREOF, the undersigned have each caused this Agreement to be duly executed and delivered by their respective, duly authorized representatives as of the date first above written.

DANA CORPORATION

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

UNITED STEELWORKERS

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

INTERNATIONAL UNION, UAW

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

APPALOOSA MANAGEMENT L.P.

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

EXHIBIT A

[Form of Plan]

EXHIBIT B

[Investment Agreement with Exhibits]

INVESTMENT AGREEMENT

INVESTMENT AGREEMENT (this "Agreement"), dated as of September [o], 2007, between Appaloosa Management L.P., a Delaware limited partnership ("Appaloosa"), \_\_\_\_\_, a newly formed \_\_\_\_\_ (the "Purchaser"), and Dana Corporation, a Virginia corporation (the "Company") and debtor-in-possession under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in case No. 06-10354 (BRL) (the "Chapter 11 Case"), pending in the Bankruptcy Court.

WHEREAS, the Company, together with its debtor Subsidiaries that commenced jointly administered cases under chapter 11 of the Bankruptcy Code (such Subsidiaries and Affiliates and the Company collectively, the "Debtor"), intends to file with the Bankruptcy Court a chapter 11 plan of reorganization in substantially the form attached to the Support Agreement (the "Form of Plan"), the effectiveness of which will be conditioned on the Closing having occurred (the "Chapter 11 Plan"); and

WHEREAS, the Company, the Unions and Appaloosa have entered into a Plan Support Agreement (the "Support Agreement"), pursuant to which the parties to the Support Agreement have agreed to various transactions in furtherance of the Chapter 11 Plan; and

WHEREAS, the Chapter 11 Plan contemplates (i) a new investment (the "Series A Investment") in the corporation that will be the successor to the Company under the Chapter 11 Plan for purposes of Section 1145 of the Bankruptcy Code ("New Dana") by Purchaser, a newly formed investment company that is a Subsidiary of Appaloosa, in 4.0% Series A Convertible Preferred Stock, par value \$0.01 per share, of New Dana (the "Series A Preferred") having the terms set forth in the Certificate of Designation attached hereto as Exhibit A and (ii) new investments (such investments, together with the Series A Investment, the "Investments") by Purchaser and certain institutional investors in 4.0% Series B Convertible Preferred Stock, par value \$0.01 per share, of New Dana (the "Series B Preferred") and, pursuant to the Rights Offering (as defined below) by certain investors in the Series B Preferred, in each case having the terms set forth in the Certificate of Designation attached hereto as Exhibit A and to be made in connection with the transactions contemplated by the Chapter 11 Plan, including without limitation, the transactions contemplated by the Support Agreement; and

WHEREAS, subject to the entry of a Confirmation Order on the effective date of the Chapter 11 Plan (the "Effective Date"), New Dana will be authorized to issue (i) new shares of Series A Preferred to Purchaser and (ii) Series B Preferred to Purchaser, each Standby Purchaser (as defined below) and each Eligible Holder (as defined below) that elects to purchase Series B Preferred in connection with the Rights Offering (the Persons described in this clause (ii), collectively, the "Series B Investors").

ACCORDINGLY, the parties agree as follows:

I. SHARE PURCHASE; RIGHTS OFFERING

1.1 Series A Preferred Share Purchase. On the terms and subject to the conditions herein, at the Closing, New Dana will issue and sell to Purchaser, and Purchaser will purchase from New Dana, for an aggregate price of \$250,000,000 in cash (the "Series A Purchase Price"), 2,500,000 newly issued shares of Series A Preferred representing 100% of the Series A Preferred issued and outstanding as of immediately after the Effective Date.

1.2 Rights Offering.

(a) The Company proposes to offer and sell newly issued shares of Series B Preferred pursuant to a rights offering (the "Rights Offering") whereby New Dana will distribute at no charge to each holder of an approved Unsecured Claim (each, an "Eligible Holder"), including, to the extent applicable, the Standby Purchasers, that number of rights (each, a "Right") in respect of Claims outstanding and held of record as of the close of business on a record date to be determined by the Board of New Dana (the "Record Date") that will enable each Eligible Holder to purchase up to its pro rata portion of (i) 3,000,000 shares in the aggregate of Series B Preferred at a purchase price of \$100.00 per share (the "Series B Per Share Price") or \$300,000,000 in the aggregate (the "Series B Purchase Price"). "Standby Purchaser" means the Purchaser and one or more Persons designated by Appaloosa from time to time and set forth on Schedule 1.2 hereto, as such schedule may be modified from time to time.

(b) The Rights Offering will be conducted as follows:

(i) On the terms and subject to the conditions of this Agreement and subject to applicable law, the Company shall offer shares of

Series B Preferred for subscription by holders of Rights as set forth in this Agreement.

- (ii) As soon as practicable following the entry of an order by the Bankruptcy Court approving the Disclosure Statement, the Company shall issue to each Eligible Holder, Rights to purchase up to its pro rata portion of up to 3,000,000 shares of Series B Preferred in the aggregate and distribute simultaneously the ballot form(s) in connection with the solicitation of acceptances of the Chapter 11 Plan (the date of such distribution, the "Rights Distribution Date"). The Company will be responsible for effecting the distribution of certificates representing the Rights and any related materials to each Eligible Holder.
- (iii) The Rights may be exercised during a period (the "Rights Exercise Period") commencing on the Rights Distribution Date and ending at the Expiration Time. The Rights shall not be transferable. "Expiration Time" means the date and time by which holders of claims or interests are entitled to vote on the Chapter 11 Plan (or if

such day is not a Business Day, the next Business Day), or such later date and time as the Company, subject to the prior written approval of Appaloosa, may specify in a notice provided to the Eligible Holders before 9:00 a.m., New York City time, on the Business Day before the then-effective Expiration Time. The Company shall use its reasonable best efforts to cause the effective date of the Chapter 11 Plan (the "Effective Date") to occur as promptly as reasonably practicable after the Expiration Time and the Confirmation Hearing. For the purpose of this Agreement, "Business Day" means each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in New York City are generally authorized or obligated by law or executive order to close. Each Eligible Holder who wishes to exercise all or a portion of its Rights shall (i) during the Rights Exercise Period return a duly executed document to a subscription agent reasonably acceptable to the Company and Appaloosa (the "Subscription Agent") electing to exercise all or a portion of the Rights held by such Eligible Holder and (ii) pay an amount equal to the Series B Per Share Price multiplied by the number of Series B Shares that the Eligible Holder elects to purchase by wire transfer of immediately available funds by a specified date reasonably in advance of the date on which the hearing to confirm the Plan is scheduled to commence (the "Confirmation Hearing") to an escrow account established for the Rights Offering.

- (iv) Unless otherwise required by Appaloosa, there will be no over-subscription rights provided in connection with the Rights Offering.
- (v) As soon as reasonably practicable following the Effective Date, the Company will issue to each Eligible Holder who validly exercised its Rights the number of shares of Series B Preferred to which such Eligible Holder is entitled based on such exercise.
- (vi) The Company hereby agrees and undertakes to give each Standby Purchaser by electronic facsimile transmission the certification by an executive officer of the Company of either (i) the number of shares of Series B Preferred elected to be purchased by Eligible Holders pursuant to validly exercised Rights, the aggregate purchase price therefor, the number of Unsubscribed Shares and the aggregate Purchase Price therefor (a "Purchase Notice") or (ii) in the absence of any Unsubscribed Shares, the fact that there are no Unsubscribed Shares and that the commitment set forth in Section 1.3(a)(ii) is terminated (a "Satisfaction Notice") as soon as practicable after the Expiration Time and, in any event, reasonably in advance of the Closing Date (the date of transmission of confirmation of a Purchase Notice or a Satisfaction Notice, the "Determination Date").



(vii) The Rights Offering will provide each Eligible Holder who validly exercised its Rights with the right to withdraw a previous exercise of Rights after the withdrawal deadline if there are changes to the Chapter 11 Plan after the withdrawal deadline that the Bankruptcy Court determines are materially adverse to the holders of the Rights and the Bankruptcy Court requires resolicitation of votes under Section 1126 of the Bankruptcy Court or an opportunity to change previously cast acceptances or rejections of the Plan.

### 1.3 Commitment of Standby Purchasers.

(a) On the terms and subject to the conditions set forth in this Agreement:

(i) Purchaser agrees and, if any Standby Purchasers have been designated by Purchaser prior to the Closing Date, each Standby Purchaser agrees, severally and not jointly, to subscribe for and purchase, and the Company agrees to sell and issue, on the Closing Date for the Series B Per Share Price, for an aggregate purchase price of \$200,000,000 (the "Direct Shares Purchase Price") each Standby Purchaser's proportionate share of 2,000,000 shares of Series B Preferred, in each case as is set forth opposite such Standby Purchaser's name on Schedule 1.3 hereto (the "Direct Subscription Shares");

(ii) each Standby Purchaser agrees, severally and not jointly, to purchase, on the Closing Date, and the Company agrees to sell for the Series B Per Share Price that number of shares of Series B Preferred issuable pursuant to the aggregate number of Rights that were not properly exercised by the Eligible Holders thereof during the Rights Exercise Period, in proportion to the Standby Purchaser's share of the Direct Subscription Shares (such Shares in the aggregate, the "Unsubscribed Shares"), rounded among the Standby Purchasers as they may determine, in their sole discretion, to avoid fractional shares.

(iii) As soon as practicable after the Expiration Time, and in any event reasonably in advance of the Closing Date, the Company will provide a Purchase Notice or a Satisfaction Notice to each Standby Purchaser as provided above, setting forth a true and accurate determination of the aggregate number of Unsubscribed Shares, if any; provided, that on the Closing Date, on the terms and subject to the conditions in this Agreement, the Standby Purchasers will purchase, and the Company will sell, only such number of Unsubscribed Shares as are listed in the Purchase Notice, without prejudice to the rights of the Standby Purchasers to seek later an upward or downward adjustment if the number of Unsubscribed Shares in such Purchase Notice is inaccurate.

1.4 Purchase Price. The Series A Purchase Price, the Series B Purchase Price and the Direct Shares Purchase Price will be payable on the Closing Date in cash by bank wire transfer of immediately available funds to an account of New

Dana designated by the Company by written notice to Appaloosa delivered at least two business days prior to the Closing Date.

1.5 Closing Timing. The closing of the purchase and sale of the Series A Preferred and the Series B Preferred (the "Closing") will take place at the offices of Jones Day, 222 E. 41(st) Street, New York, New York at 10:00 a.m. local time on the date on which all of the conditions (other than the conditions to be satisfied concurrently with the Closing) set forth in Article V have been satisfied or waived (or such other date, time and place to which the parties may agree in writing). The date on which the Closing occurs is the "Closing Date."

1.6 Closing Deliveries. (a) At or prior to the Closing, Appaloosa, Purchaser and/or the Standby Purchasers, as applicable, will deliver to New Dana:

(i) the Series A Purchase Price, the Series B Purchase Price or the Direct Shares Purchase Price, as applicable, payable in accordance with Section 1.4;

(ii) a counterpart to the Shareholders Agreement in the form attached hereto as Exhibit B (the "Shareholders Agreement"), duly executed by Appaloosa and Purchaser;(1)

(iii) a counterpart to the Registration Rights Agreement in the form attached hereto as Exhibit C (the "Series A Registration Rights Agreement"), duly executed by Purchaser;(2) and

(iv) a counterpart to the Registration Rights Agreement in the form attached hereto as Exhibit D (the "Series B Registration Rights Agreement" and, together with the Series A Registration Rights Agreement, the "Registration Rights Agreements").

(b) At or prior to the Closing, New Dana will deliver to Purchaser and each Standby Purchaser, as applicable:

(i) Subject to clause (c) below, validly issued stock certificates evidencing the shares of Series A Preferred and/or Series B Preferred, as applicable; all such shares will be delivered with any and all issue, stamp, transfer, sales and use, or similar Taxes or duties payable in connection with such delivery duly paid by the Company;

(ii) a counterpart to the Shareholders Agreement duly executed by New Dana;

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(1) Note: Document to be modified appropriately if additional purchasers are added.

(2) Note: Document to be modified appropriately if additional purchasers are added.

(iii) a counterpart to the Registration Rights Agreements duly executed by New Dana; and

(iv) a copy of the New Dana charter containing the Certificate of Designations, certified by the Secretary of State of the state in which it is incorporated.

(c) Certificates for shares of Series B Preferred purchased by Eligible Holders will be delivered as promptly as practicable after the Closing.

## II. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to Purchaser and each Standby Purchaser, except as disclosed (i) in, and reasonably apparent from, any report, schedule, form or other document filed with, or furnished to, the U.S. Securities and Exchange Commission (the "SEC") by the Company and publicly available prior to the date of this Agreement and only as and to the extent disclosed therein (other than any forward-looking disclosures set forth in any risk factor section, any disclosures in any section relating to forward-looking statements and any other similar disclosures included therein to the extent they are primarily cautionary in nature), or (ii) in the letter, dated the date hereof, from the Company to Purchaser specifically referencing this Agreement and delivered prior to the execution of this Agreement and initialed by the parties hereto (the "Company Disclosure Letter"), as follows:

2.1 Existence; Authorization, Validity and Effect of Agreement. Each of the Company and its Significant Subsidiaries (i) is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization (to the extent the legal concept of good standing exists in such jurisdiction), (ii) has all requisite corporate or equivalent power and authority to own, operate or lease the properties that it purports to own, operate or lease and to conduct its business as currently conducted and (iii) is duly qualified or licensed as a foreign entity to do business, and is in good standing (to the extent the legal concept of good standing exists in such jurisdiction), in each jurisdiction where the character of its properties owned, operated or leased or the nature of its activities makes such qualification or licensing necessary, except in the case of clauses (i) through (iii) to the extent that the failure to be so qualified or in good standing or to possess requisite power and authority would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. As of the Effective Date, New Dana will be a corporation duly incorporated, validly existing and in good standing under the laws of the state in which it is incorporated. Subject to the entry of the Approval Order, Confirmation Order and the occurrence of the Effective Date, (a) the Company has and New Dana will have the requisite corporate power and authority to execute and deliver this Agreement and all agreements and documents contemplated hereby to be executed and delivered by it, and, subject to entry of the Confirmation Order and the expiration, or waiver by the Bankruptcy Court, of the 10-day period set forth in Rules 6004(h) and 3020(e) of the

Federal Rules of Bankruptcy Procedure, respectively, to perform its obligations hereunder and thereunder, including the issuance of the Rights and Series B Preferred, (b) this Agreement and the consummation by the Company and New Dana of the transactions contemplated hereby have been (or, in the case of New Dana, will be on or prior to the Effective Date) duly authorized by all requisite corporate action and, (c) this Agreement has been duly and validly executed and delivered by the Company and constitutes, and the Shareholders Agreement and the Registration Rights Agreements (together with this Agreement, referred to collectively as the "Transaction Documents") contemplated hereby to be executed and delivered by New Dana (when executed and delivered pursuant hereto) will constitute, the valid and binding obligations of the Company or New Dana, as applicable, enforceable against the Company or New Dana, as applicable, in accordance with their respective terms.

2.2 Capitalization. Immediately following the Effective Date and upon issuance of the Shares, the Series A Preferred, Series B Preferred and New Common Stock will be the only issued and outstanding equity securities of New Dana, including management incentive equity issued in accordance with the Chapter 11 Plan. Except as provided in the Registration Rights Agreements, the Company is not, and New Dana will not be, under any third party contractual obligation to register any of its equity securities under the Securities Act of 1933, as amended (the "Securities Act").

2.3 Validity of Shares, Etc. Each of the Shares when issued to Purchaser in accordance with the Chapter 11 Plan and this Agreement will be duly authorized, validly issued, fully paid, non-assessable and free of preemptive rights of third parties, except for the preemptive rights included in Exhibit A. At the Closing, Purchaser will acquire good and valid title to the Shares, free and clear of any and all liens, Claims, security interests, encumbrances, restrictions on voting or alienation or otherwise, or adverse interests, except as may be created by Purchaser, the Transaction Documents, Exhibit A or by applicable Securities Laws. All issued and outstanding shares of capital stock, if any, of each Significant Subsidiary of the Company have been duly authorized and validly issued, and are fully paid, non-assessable and free of preemptive rights of third parties.

2.4 No Conflict; Required Filings and Consents. (a) The execution, delivery and performance of this Agreement and the other Transaction Documents by the Company or New Dana, as applicable, do not, and the consummation by the Company and New Dana of the transactions contemplated hereby and thereby, including the distribution of the Rights, the sale, issuance and delivery of the Series B Preferred upon exercise of the Rights, and the consummation of the Rights Offering by the Company will not, (i) conflict with or violate the articles of incorporation or bylaws or equivalent organizational documents of the Company or any of its Subsidiaries or New Dana, as applicable (as they may be amended or adopted pursuant to the Chapter 11 Plan, as applicable), (ii) subject to the entry of the Confirmation Order and the occurrence of the Effective Date, conflict with or violate any domestic or foreign statute, rule, regulation or other legal requirement ("Law") or order, judgment, injunction or decree ("Order") applicable to the Company or any of its Subsidiaries or New Dana or by which any property or asset of the Company or any of its Subsidiaries is (or New

Dana will be) bound or affected or (iii) subject to the entry of the Confirmation Order and the occurrence of the Effective Date and the implementation of the transactions contemplated by the Chapter 11 Plan and the application of bankruptcy Law, conflict with or violate or result in a breach or default under any contract, agreement or instrument binding upon the Company or any of its Subsidiaries or New Dana, or result, except to the extent specified in the Chapter 11 Plan, in the acceleration of, or the creation of any lien under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its Subsidiaries is (or New Dana will be) a party or by which the Company or any of its Subsidiaries is (or New Dana will be) bound or to which any of the property or assets of the Company or any of its Subsidiaries is (or New Dana will be) subject, except, in the case of clauses (i) (as to Subsidiaries only), (ii) and (iii), for any such conflicts, violations, breaches or defaults that, individually or in the aggregate, would not have a Company Material Adverse Effect.

(b) The execution and delivery of this Agreement and the other Transaction Documents by the Company or New Dana, as applicable, does not, and the performance of this Agreement and the other Transaction Documents and the consummation by the Company and New Dana of the transactions contemplated hereby and thereby, including the distribution of the Rights, the sale, issuance and delivery of Series B Preferred upon exercise of the Rights, the consummation of the Rights Offering by the Company will not, require any consent, approval, authorization or permit of, or filing with or notification to, any governmental or regulatory authority, domestic or foreign, including without limitation any quasi-governmental, supranational, statutory, environmental entity and any stock exchange, court or arbitral body (each a "Governmental Entity"), except (i) for (A) the applicable notification requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, if any, and the rules and regulations thereunder (the "HSR Act"), and any other comparable laws or regulations in any foreign jurisdiction relating to the sale or issuance of the Shares, (B) filings contemplated by the Registration Rights Agreements, (C) the entry of the Approval Order and the Confirmation Order and any other Bankruptcy Court Orders that may be required in connection with the Chapter 11 Plan and (ii) where the failure to obtain any such consent, approval, authorization or permit, or to make any such filing or notification, would not, individually or in the aggregate, have a Company Material Adverse Effect.

2.5 No Undisclosed Liabilities. As of the date hereof, neither the Company nor any of its Subsidiaries has any liabilities or obligations (absolute or accrued, contingent or otherwise, and whether due or to become due and whether the amount thereof is readily ascertainable or not) that are material to the business or operations of the Company and its Subsidiaries, taken as a whole, other than: (a) liabilities or obligations disclosed in the financial statements of the Company included in the Company Reports filed with the SEC prior to the date hereof; (b) liabilities or obligations under contracts to which the Company or any of its Subsidiaries is a party; (c) liabilities of a nature not required by GAAP to be set forth on a consolidated balance sheet of the Company and its Subsidiaries or in the notes thereto; (d) liabilities or obligations incurred in the ordinary course of business consistent with past practices

since December 31, 2006, or (e) liabilities or obligations expressly included within the scope of another representation or warranty in this Article II or as expressly excluded from any representation or warranty in this Article II as a result of the scope of any materiality or similar qualification applicable to such representation or warranty.

2.6 No Violation or Default; Compliance with Laws. Neither the Company nor any of its Significant Subsidiaries is in violation of its charter or by-laws or similar organizational documents. Neither the Company nor any of its Subsidiaries is, except as a result of the Chapter 11 Case, in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound or to which any of the property or assets of the Company or any of its Subsidiaries is subject, except for any such default that has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Neither the Company nor any of its Subsidiaries is, or has been, in violation of any Law, except for any such violation that has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

2.7 Litigation. There are no legal, governmental or regulatory actions, suits, proceedings or, to the Knowledge of the Company, investigations pending to which the Company or any of its Subsidiaries is or may be a party or to which any property of the Company or any of its Subsidiaries is or may be the subject that, individually or in the aggregate, if determined adversely to the Company or any of its Subsidiaries, would reasonably be expected to have a Company Material Adverse Effect, and no such actions, suits or proceedings or investigations are pending or, to the Knowledge of the Company, threatened or contemplated, by any governmental or regulatory authority or by others.

2.8 Labor Relations. (a) The Company is not a party to, and has no obligations under, any collective bargaining agreement or other agreement, unexpired, or expired in circumstances where the Company has a continuing statutory obligation to maintain the existing terms and conditions of employment as specified in the expired contract, with any labor organization governing wages, hours or other terms and conditions of employment of any current employees of the Company at any facility currently operated by the Company in the United States and Canada, that is, individually or in the aggregate, material to the Company and its Subsidiaries, taken as a whole; (b) there are no current organizational activities, demands for recognition or petitions for representation by a labor organization seeking to represent employees of the Company or any Subsidiary that would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect; (c) no grievance, arbitration, litigation, complaint or charge, or, to the Knowledge of the Company, investigations relating to labor or employment matters is pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries which, except as would not reasonably be

expected to have, individually or in the aggregate, a Company Material Adverse Effect; (d) the Company and each of its Subsidiaries has complied and is in compliance in all respects with all applicable laws (domestic and foreign), agreements, contracts, and policies relating to employment, employment practices, wages, hours, and terms and conditions of employment and is not engaged in any unfair labor practice as defined by the National Labor Relations Board (or any foreign equivalent), in each case except where the failure to comply would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect; and (e) the Company has complied and is in compliance in all material respects with its obligations pursuant to the Worker Adjustment and Retraining Notification Act of 1988 ("WARN Act") (and any similar state or local law) to the extent applicable, and all material other employee notification and bargaining obligations arising under any collective bargaining agreement or statute, in each case except to the extent the failure to comply would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

2.9 Title to Intellectual Property. The Company and its Subsidiaries own all right, title and interest in and to, or possess valid and enforceable rights to use, all material patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights, licenses, software and know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) and other intellectual property rights (collectively, "Intellectual Property") used in the conduct of their respective businesses, the failure to own or possess which would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. All registrations with and applications to governmental or regulatory authorities in respect of such Intellectual Property are (i) to the Knowledge of the Company, valid and (ii) in full force and effect, (iii) have not lapsed, expired or been abandoned, and (iv) are not the subject of any opposition filed with the United States Patent and Trademark Office or any other applicable Intellectual Property registry other than in the ordinary course of business and, in each case in clauses (i) through (iv), except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. The consummation of the transaction contemplated hereby and by the Chapter 11 Plan will not result in the loss or impairment of any rights to use such Intellectual Property or obligate Purchaser to pay any royalties or other amounts to any third party in excess of the amounts that would have been payable by the Company and its Subsidiaries absent the consummation of the Investments, except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. The Company and its Subsidiaries have taken reasonable security measures to protect the confidentiality and value of its and their material trade secrets (or other Intellectual Property for which the value is dependent upon its confidentiality), and no such material trade secrets have been misappropriated, except to the extent that such misappropriation would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. The Company and its Subsidiaries are not in default (and no event has occurred so that, with the giving of notice or lapse of time or both, they will be in default) under any contract relating to such Intellectual Property except as would not reasonably be expected to have, individually or in the

aggregate, a Company Material Adverse Effect. To the Knowledge of the Company, no Intellectual Property rights of the Company or its Subsidiaries are being infringed by any other Person, except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. To the Knowledge of the Company, the conduct of the businesses of the Company and its Subsidiaries does not and will not conflict in any respect with any intellectual property rights of others, and the Company and its Subsidiaries have not received any notice of any claim of infringement or conflict with any such rights of others, in each case, which would be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect.

2.10 Title to Real and Personal Property. The Company and its Subsidiaries have good and marketable fee simple, leasehold or subleasehold title to all real property owned, leased or subleased by the Company and its Subsidiaries, and for all real property currently used, and good title to all other tangible and intangible properties (other than Intellectual Property covered by Section 2.9) owned by them, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind ("Liens"), except for such Liens or failure to have title as, individually and in the aggregate, would not reasonably be expected to have a Company Material Adverse Effect. All of the leases and subleases for real property to which the Company or its Subsidiaries are a party are in full force and effect and enforceable by the Company or such Subsidiary in accordance with their terms, and, to the Knowledge of the Company, neither the Company nor any Subsidiary has received any notice of any claim of any sort that has been asserted by anyone adverse to the rights of the Company or any Subsidiary under any of the leases or subleases mentioned above or under any documents affecting any fee owned property, or affecting or questioning the rights of the Company or such Subsidiary to the continued possession of any owned, leased or subleased property by under any such lease or sublease or under any documents affecting any fee owned property, or for the continued operations of the Company's business as currently operated in any material respect on any owned, leased or subleased property, except for any such matter as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

2.11 No Undisclosed Relationships. As of the date hereof, no relationship, direct or indirect, exists between or among the Company or any of its Subsidiaries, on the one hand, and the directors, officers, stockholders, customers or suppliers of the Company or any of its Subsidiaries, on the other, that is required by the Exchange Act to be described in the Company Reports and that are not so described, except for the transactions pursuant to this Agreement and pursuant to Company Plans.

2.12 Licenses and Permits. The Company and its Subsidiaries have and are in compliance with all licenses, certificates, permits, approvals, franchises or other authorizations required to be obtained from a Governmental Authority necessary for the ownership or lease of their respective properties or for the conduct of their respective businesses as now conducted, which if violated or not obtained would reasonably be expected to have, individually or in the aggregate, a Company Material



Adverse Effect. Neither the Company nor any Subsidiary has finally been denied any application for any such license, permit, franchise or other governmental authorization.

2.13 Compliance with Environmental Laws. (a) Except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, the Company and its Subsidiaries have complied and are in compliance with any and all applicable federal, state, local and foreign laws, rules, regulations, decisions and orders, including all civil and common law, relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants (collectively, "Environmental Laws"); (b) during the three years prior to the date of this Agreement, to the Knowledge of the Company, the Company and its Subsidiaries have not received notice from any governmental authority or other Person of any actual or potential liability for the investigation or remediation of any disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, or for any violation of Environmental Laws that would in any such case reasonably be expected to result in, individually or in the aggregate, a material liability of the Company and its Subsidiaries, taken as a whole; (c) except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, to the Knowledge of the Company, there are no facts, circumstances or conditions relating to the past or present business or operations of the Company, its Subsidiaries or any of their predecessors (including the disposal of any hazardous or toxic substances or wastes, pollutants or contaminants), or to any real property currently or formerly owned or operated by the Company, its Subsidiaries or any of their predecessors, that would reasonably be expected to give rise to any claim, proceeding or action, or to any liability, under any Environmental Law; (d) to the Knowledge of the Company, neither the Company nor any of its Subsidiaries is required or reasonably expected to incur material capital expenditures during the current and the subsequent five fiscal years to reach or maintain compliance with existing or reasonably anticipated Environmental Laws except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect; and (e) the disclosure in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, as reproduced in Section 2.13 of the Company Disclosure Letter, was, to the Knowledge of the Company, true and correct in all material respects based on the assumptions set forth therein and as of May 10, 2007. To the Knowledge of the Company, no changes in the facts underlying these asbestos-related disclosures (as opposed to the assumptions made) have occurred since May 10, 2007, that would, individually or in the aggregate, reasonably be expected to result in a liability that is material to the Company and its Subsidiaries, taken as a whole.

2.14 Tax Matters. Except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect: (a) the Company has timely filed or caused to be timely filed (taking into account any applicable extension of time within which to file) with the appropriate taxing authorities all material tax returns, statements, forms and reports (including elections, declarations, disclosures, schedules, estimates and information Tax Returns) for Taxes ("Tax Returns") that are required to be filed by, or with respect to, the Company and its Subsidiaries; (b) the Tax Returns

accurately reflect all liability for Taxes of the Company and its Subsidiaries for the periods covered thereby; (c) all material Taxes and Tax liabilities due by or with respect to the income, assets or operations of the Company and its Subsidiaries have been timely paid in full or accrued and fully provided for in accordance with GAAP on the financial statements of the Company included in the Company Reports; (d) neither the Company nor any of its Subsidiaries has received any written notices from any Taxing authority relating to any issue that has not been adequately provided for in accordance with GAAP in the financial statements of the Company included in the Company Reports; (e) all material Taxes which the Company and each or any of its Subsidiaries is (or was) required by law to withhold or collect in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder or other third party have been duly withheld or collected, and have been timely paid to the proper authorities to the extent due and payable; (f) neither the Company nor any of its Subsidiaries has been included in any "consolidated," "unitary" or "combined" Tax Return provided for under the law of the United States, any foreign jurisdiction or any state or locality with respect to Taxes for any taxable period for which the statute of limitations has not expired (other than a group of which the Company and/or its Subsidiaries are the only members); and (g) the Company is not a party to any agreement other than certain Change In Control Agreements described in the Company Reports filed prior to the date hereof that would require the Company or any affiliate thereof to make any material payment that would constitute an "excess parachute payment" for purposes of Sections 280G and 4999 of the Code.

#### 2.15 Compliance With ERISA.

(a) Correct and complete copies of the following documents, with respect to all U.S. domestic benefit and compensation plans, programs, contracts, commitments, practices, policies and arrangements, whether written or oral, that are maintained or contributed to (or with respect to which an obligation to contribute has been undertaken) or with respect to which any potential liability is borne by the Company or any of its Subsidiaries, including, but not limited to, "employee benefit plans" within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and deferred compensation, stock option, stock purchase, restricted stock, stock appreciation rights, stock based, incentive and bonus plans, but excluding any employee benefit plans within the meaning of Section 3(3) of ERISA which Mahle GmbH or its subsidiaries or affiliates have agreed to assume (the "Company Plans"), have been delivered or made available to Appaloosa and Purchaser by the Company, to the extent applicable: (i) all material Company Plan documents, together with all amendments and attachments thereto (including, in the case of any Company Plan not set forth in writing, a written description thereof); (ii) all material trust documents, declarations of trust and other documents establishing other funding arrangements, and all amendments thereto and the latest financial statements thereof; (iii) the most recent annual report on Internal Revenue Service ("IRS") Form 5500 for the past year and all schedules thereto; (iv) the most recent IRS determination letter; (v) summary plan descriptions and summaries of material modifications; and (vi) the most recently prepared actuarial valuation report.

(b) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect (i) each Company Plan, other than any "multiemployer plans" within the meaning of Section 3(37) of ERISA ("Multiemployer Plans"), is in compliance with ERISA, the Internal Revenue Code of 1986, as amended (the "Code") and other applicable laws; (ii) each Company Plan that is intended to be a qualified plan under Section 401(a) of the Code is so qualified and has received a favorable determination letter from the IRS covering all Tax law changes prior to the Economic Growth and Tax Relief Reconciliation Act of 2001 or has applied to the IRS for such favorable determination within the applicable remedial amendment period under Section 401(b) of the Code, and the Company is not aware of any circumstances likely to result in the loss of the qualification of such Company Plan under Section 401(a) of the Code; (iii) no liability under Subtitle C or D of Title IV of ERISA has been incurred during the previous three years by the Company or any of its Subsidiaries with respect to any ongoing, frozen or terminated "single-employer plan," within the meaning of Section 4001(a)(15) of ERISA ("Single-Employer Plan") currently or previously maintained or contributed to (or with respect to which an obligation to contribute has been undertaken) by the Company or any of its Subsidiaries, or the Single-Employer Plan of any entity which is considered one employer with the Company under Section 4001 of ERISA or Section 414 of the Code (a "Company ERISA Affiliate"); (iv) the Company and its Subsidiaries have not incurred any withdrawal liability (including any contingent or secondary withdrawal liability) with respect to a Multiemployer Plan under Subtitle E of Title IV of ERISA (regardless of whether based on contributions of a Company ERISA Affiliate) that has not been satisfied in full and no condition or circumstance has existed that presents a risk of the occurrence of any withdrawal from or the partition, termination, reorganization or insolvency of any such Multiemployer Plan; (v) no notice of a "reportable event," within the meaning of Section 4043 of ERISA has occurred after January 1, 2005 for any Company Plan or by any Single Employer Plan of a Company ERISA Affiliate; (vi) all contributions required to be made under the terms of any tax qualified Company Plan have been timely made or have been reflected in the financial statements of the Company included in the Company Reports filed prior to the date hereof; and (vii) there has been no amendment to, announcement by the Company or any of its Subsidiaries relating to, or change in employee participation or coverage under, any Company Plan which would increase the expense of maintaining such plan above the level of the expense incurred therefor for the most recent fiscal year.

(c) (i) Neither any Company Plan nor any Single-Employer Plan of a Company ERISA Affiliate has an "accumulated funding deficiency" (whether or not waived) within the meaning of Section 412 of the Code or Section 302 of ERISA and neither the Company nor any of its Subsidiaries nor any Company ERISA Affiliate has applied for or obtained a funding waiver; and (ii) neither the Company nor any of its Subsidiaries has provided, or is required to provide, security to any Company Plan or to any Single-Employer Plan of a Company ERISA Affiliate pursuant to Section 401(a)(29) of the Code.

(d) Except as has not and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (i) no claim,

lawsuit, arbitration or other action has been instituted against the Company Plans (other than routine claims for benefits, and appeals of such claims), the Company, any Subsidiary, any director, officer, or employee thereof, any of the assets of any trust of the Company Plans, or, to the Company's knowledge, any fiduciary of a Company Plan with respect to a Company Plan, and (ii) no "prohibited transaction," within the meaning of Section 4975 of the Code or Section 406 of ERISA, for which no exemption is available, has occurred with respect to any Company Plan or its related trust.

(e) Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, (i)(A) all material company benefit plans maintained primarily for the benefit of employees principally employed in jurisdictions listed in Schedule 2.15(e) (the "Non-U.S. Benefit Plans") have been maintained in all material respects in accordance with their terms and all applicable legal requirements, (B) if any Non-U.S. Benefit Plan is intended to qualify for special tax treatment, such Non-U.S. Benefit Plan meets all requirements to the extent necessary to obtain such treatment, and (C) the fair market value of the assets of each Non-U.S. Benefit Plan required to be funded, the liability of each insurer for any Non-U.S. Benefit Plan required to be funded, and the book reserve established for any Non-U.S. Benefit Plan, together with any accrued contributions, is sufficient to provide for the accrued benefit obligations under each Non-U.S. Benefit Plan and (ii) neither the Company nor any Company subsidiary is or has (x) a debt that is or has become due under Section 75 of the Pensions Act 1995; (y) been a party to an act or deliberate failure to act (or knowingly assisted) to prevent the recovery of any amount of debt due under Section 75 of the Pensions Act of 1995; or (z) is or has been an associate of or connected with (as set out in Sections 38 and 51 of the Pensions Act 2004) any person who is an employer in relation to any occupational pension scheme other than the company's pension schemes disclosed on Schedule 2.15(e).

2.16 SEC Filings; Financial Statements. The Company has timely filed, all Company Reports required to be filed by it with the SEC since January 1, 2006. All Company Reports, as of their respective dates (a) complied in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations thereunder and (b) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The representation in the preceding sentence does not apply to (a) any statement or omission in (i) any Company Report filed prior to the date of this Agreement that was superseded by a subsequent Company Report filed prior to the date of this Agreement or (ii) any Company Report filed after the date of this Agreement that is superseded by a subsequent Company Report filed prior to the Closing Date or (b) any projections, forecasts, estimates and forward-looking information included in the Company Reports. The consolidated financial statements of the Company included in any Company Reports were prepared in accordance with accounting principles generally accepted in the United States ("GAAP") applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly presented the consolidated financial position of the Company and its Subsidiaries, as of the dates thereof (subject, in the case of any

unaudited statements, to the absence of footnotes and to normal year-end audit adjustments). No Subsidiary of the Company is currently required to file any periodic reports with the SEC under the Exchange Act.

Each Company Report containing financial statements that has been filed with the SEC by the Company was accompanied by the certifications required to be filed or furnished by the Company's principal executive officer and principal financial officer pursuant to the Sarbanes-Oxley Act and, at the time of filing or submission of each such certification, such certification was true and accurate in all material respects.

2.17 Insurance. The Company and its Subsidiaries have insurance covering their respective properties, operations, personnel and businesses, including business interruption insurance, which insurance is in amounts and insures against such losses and risks as are customary for companies whose businesses are similar to the Company and its Subsidiaries, except where such failure would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Neither the Company nor any of its Subsidiaries has received notice of any termination or threatened termination of any of such policies and such policies are in full force and effect.

2.18 No Brokers. The Company has not entered into any contract, arrangement or understanding with any Person or firm that may result in the obligation of the Company or Purchaser to pay any investment banker's or finder's fees, brokerage or agent's commissions or other like payments in connection with the negotiations leading to this Agreement, the consummation of the Investments, or otherwise in connection with the Rights Offering, except that the Company has retained Miller, Buckfire & Co., LLC as its financial advisor. The Company, New Dana or one of their Subsidiaries will pay all amounts owed pursuant to the foregoing arrangements.

2.19 State Takeover Statutes. The Company Board has approved this Agreement and the transactions described herein and such approval is sufficient to render inapplicable to this Agreement and such transactions the restrictions of Article 14 of the Virginia Stock Corporation Act (the "VSCL"), and, accordingly such Article 14 does not apply to any such transactions. The Company has opted out of Article 14.1 of the VSCL in Section 10.1 of its bylaws. There is no other provision of the VSCL or the Company's bylaws or charter under which special voting or waiting period requirements would become applicable to this Agreement and the transactions described herein, or under which Appaloosa, Purchaser or any Standby Purchaser or any Eligible Holder would not have rights possessed by other stockholders of the Company.

2.20 Rights Plan Amendment. The Company has taken all action, if any, necessary or appropriate so that the execution of this Agreement and the consummation of the purchase of shares of Series A Preferred and Series B Preferred pursuant to this Agreement, and the acquisition of New Common Stock upon conversion of such shares, do not and will not result in the ability of any Person to exercise any Rights (as defined in the Rights Agreement) under the Rights Agreement

or enable or require any Rights to separate from the Shares to which they are attached or to be triggered or to become exercisable.

2.21 No Additional Representations. Except as and to the extent expressly set forth in this Agreement (together with the schedules hereto and the agreements and certificates contemplated hereby), the Company makes no representations or warranties whatsoever, and disclaims all liability and responsibility for any representation, warranty, statement made or information communicated (orally or in writing) to Appaloosa or Purchaser (including, but not limited to, the information memorandum furnished to Appaloosa or Purchaser in connection with their consideration of an investment in the Company and any opinion, information or advice which may have been provided to Appaloosa or Purchaser or any of their respective Affiliates, by any officer, stockholder, director, employee, engineering or accounting firm, legal counsel or any other agent, consultant or representative of such party, as applicable).

### III. REPRESENTATIONS AND WARRANTIES OF APPALOOSA AND PURCHASER

Appaloosa and Purchaser represent and warrant to the Company, except as disclosed in the letter dated the date hereof from Appaloosa to the Company specifically referencing this Agreement and initialed by the parties hereto, as follows:

3.1 Existence; Authorization, Validity and Effect of Agreement. Appaloosa is a limited partnership and Purchaser is a \_\_\_\_\_ duly [formed], validly existing and in good standing under the laws of the State of Delaware. Purchaser is a Subsidiary of Appaloosa. Appaloosa and Purchaser have all requisite power and authority to execute and deliver this Agreement and all agreements and documents contemplated hereby and thereby to be executed by it. This Agreement and the consummation by Appaloosa and Purchaser of the transactions contemplated hereby have been duly and validly authorized by all requisite action. This Agreement constitutes, and all Transaction Documents contemplated hereby to be executed and delivered by Appaloosa or Purchaser (when executed and delivered pursuant hereto) will constitute, the valid and binding obligations of Appaloosa or Purchaser, as the case may be, enforceable against each of them in accordance with their respective terms.

3.2 No Conflict; Required Filings and Consents. (a) The execution, delivery and performance of this Agreement and the other Transaction Documents by Appaloosa and Purchaser do not, and the consummation by Appaloosa and Purchaser of the transactions contemplated hereby and thereby will not, (i) conflict with or violate the organizational documents of Appaloosa or Purchaser, (ii) conflict with or violate any Law or Order applicable to Appaloosa or Purchaser or by which any property or asset of Appaloosa or Purchaser is bound or affected or (iii) conflict with or violate or result in a breach or default under any contract, agreement or instrument binding upon Appaloosa or Purchaser, except, in the case of clauses (ii) and (iii), for any such conflicts, violations, breaches or defaults that, individually or in the aggregate, would not reasonably be expected to have a Purchaser Material Adverse Effect.

(b) The execution and delivery of this Agreement and the other Transaction Documents by Appaloosa and Purchaser does not, and the performance of this Agreement and the consummation of the transactions contemplated hereby and thereby by them will not, require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Entity, except (i) for (A) applicable requirements, if any, of the Exchange Act, and (B) the applicable notification requirements of the HSR Act, and (ii) where failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notifications, would not, individually or in the aggregate, reasonably be expected to have a Purchaser Material Adverse Effect.

3.3 No Undisclosed Agreements. Appaloosa and Purchaser have disclosed to the Company the terms of all agreements, arrangements and understandings, whether oral or written, between Appaloosa and any of its Affiliates or their respective officers, directors or employees, on the one hand, and any other Person that involve or relate to the Company, any of its Subsidiaries, the Unions, or the Company's creditors or their respective officers, directors, employees or representatives, on the other hand. Appaloosa and Purchaser have provided to the Company true and correct copies of all such agreements, arrangements and understandings that are in written form.

3.4 No Brokers. Appaloosa and Purchaser have not entered into any contract, arrangement or understanding with any Person or firm that may result in the obligation of the Company, New Dana or any of their Subsidiaries to pay any investment banker's or finder's fees, brokerage or agent's commissions or other like payments in connection with the negotiations leading to this Agreement or the consummation of the transactions contemplated hereby, any such amounts to be the sole liability of Appaloosa or Purchaser.

3.5 Sufficient Funds. Appaloosa and Purchaser will have sufficient funds available to pay the Series A Purchase Price and the Series B Purchase Price in cash at the Closing.

3.6 Investment Intent. Other than the Series B Preferred that will be purchased by Standby Purchasers pursuant to Article I, Appaloosa and Purchaser are purchasing the shares of Series A Preferred and Series B Preferred to be purchased by them for their own account and for investment purposes, and neither of them intends to redistribute the Shares (except in a transaction or transactions exempt from registration under the federal and state securities laws or pursuant to an effective registration statement under such laws). Appaloosa and Purchaser acknowledge that the Shares have not been and will not, when issued, be registered under the Securities Act, or any state blue sky or Securities Laws and that the transfer of the Shares may be subject to compliance with such Laws unless an exemption is available pursuant to section 1145 of the Bankruptcy Code (in addition to the restrictions set forth in the Shareholders Agreement).

3.7 Investor Sophistication. Appaloosa and Purchaser are sophisticated investors and each has such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Shares. Appaloosa was not organized for the specific purpose of acquiring the Shares. Appaloosa and Purchaser are not an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

3.8 Ownership of Company Securities/ Related Businesses. As of the date of this Agreement, none of Appaloosa, Purchaser or any of their Subsidiaries, Affiliates or affiliated funds (a) beneficially own any Claims, indebtedness or equity securities of the Company or any direct or indirect options, warrants or other rights to acquire, or any security convertible into or exchangeable for, any indebtedness or equity securities of the Company, or (b) have an equity interest greater than 10% in any Person that owns, Controls or operates a business engaged in any of the following: (i) the supply of components for automobiles or trucks, including but not limited to drivetrain products (including front and rear axles, transfer cases and gearboxes, differential and torque couplings, driveshafts, propshafts and drivetrain systems), chassis products (including front and rear suspension systems and modules, chassis systems, steering components and suspension components), structural products (including cradles, frames, sub-frames and side-rails), or engine components (including sealing systems and thermal management products); (ii) the supply of components for off-highway vehicles (including single-reduction drive and non-drive axles, steering and rigid planetary axles, transaxles, driveshafts, transfer cases and gearboxes, powershaft transmissions, torque converters, brakes, and electronic controls); or (iii) replacement components for sale in the independent aftermarket or for original equipment service (including replacement parts of any of the components listed above, transmissions, universal joints, brakes and gaskets).

3.9 No Additional Representations. Appaloosa and Purchaser acknowledge that they and their representatives have received or been afforded the opportunity to review prior to the date hereof all written materials that the Company was requested to deliver or make available, as the case may be, to Appaloosa pursuant to this Agreement on or prior to the date hereof. Appaloosa and Purchaser acknowledge that they and their representatives have been permitted access to the books and records, Tax Returns, contracts, insurance policies (or summaries thereof) and other properties and assets of the Company and its Subsidiaries that they and their representatives have desired or requested to see or review. Neither Appaloosa nor Purchaser has Knowledge of any facts or circumstances that could reasonably be expected to constitute a breach of the representations and warranties of the Company in Article II of this Agreement.

#### IV. COVENANTS

4.1 Approval Motion; Approval Order. The Company shall use its reasonable best efforts to cause the Bankruptcy Court to enter a final order of the Bankruptcy Court (the "Approval Order") approving and authorizing the Company to enter into this Agreement and authorizing the various fees contained herein and



approving and authorizing the Support Agreement and that, subject to Section 4.9, to issue such Approval Order and to cause such Approval Order to contain a process specified therein that is reasonably acceptable to the Creditors' Committee, the Company and Appaloosa, whereby Persons who have submitted a bona fide proposal for an Alternative Investment, Alternative Majority Investment, Alternative Transaction or Alternative Stand-Alone Plan (each, an "Alternative Proposal") would be granted access to Company information after signing a confidentiality agreement having terms no less favorable to the Company or more favorable to the recipient thereunder than the respective terms of the Confidentiality Agreement (an "Acceptable Confidentiality Agreement"), would be required to submit a definitive Alternative Proposal to the Company on or before the deadlines specified in the Approval Order. Nothing in this Section 4.1 or the Approval Order will be deemed to limit Section 4.10 or the Company's right to terminate this Agreement pursuant to any of Sections 6.2(f), (g), (h) or (i) or the exercise of its fiduciary duties with respect to the Plan Support Agreement.

4.2 Plan and Disclosure Statement. Subject to Section 4.9, the Company shall authorize, execute, file with the Bankruptcy Court and seek confirmation of, a Chapter 11 Plan (and a related disclosure statement (the "Disclosure Statement")) the terms of which are consistent with this Agreement, the Support Agreement, the Form of Plan and with such other terms that, to the extent they have a material impact on Purchaser's proposed investment in the Company, are reasonably satisfactory to Appaloosa and Purchaser. The Company shall (a) provide to Appaloosa and Purchaser and their counsel a copy of the Chapter 11 Plan and Disclosure Statement, and any amendments thereto, and a reasonable opportunity to review and comment on such documents prior to such documents being filed with the Bankruptcy Court, and (b) duly consider in good faith any comments consistent with this Agreement, the Support Agreement and the Form of Plan, and any other reasonable comments of Appaloosa and Purchaser and their counsel. In addition, the Company shall (y) provide to Appaloosa and Purchaser and their counsel a copy of the Confirmation Order and a reasonable opportunity to review and comment on such order prior to such order being filed with the Bankruptcy Court and (z) duly consider in good faith any comments consistent with this Agreement, the Support Agreement and the Form of Plan, and any other reasonable comments of Appaloosa and Purchaser and their counsel.

4.3 Rights Agreement. Subject to compliance by Purchaser and Appaloosa with Section 2.1 and 2.2 of the Shareholders Agreement, the Company shall take all action to ensure that the offering of Rights pursuant to the Rights Offering, the purchase of shares of Series A Preferred and Series B Preferred pursuant to this Agreement, and the acquisition of New Common Stock upon conversion of such shares, will not result in the ability of any Person to exercise any Rights (as defined in the Rights Agreement) under the Rights Agreement or enable or require any Rights to separate from the Shares to which they are attached or to be triggered or to become exercisable.

4.4 Employment Agreements. The Company and Appaloosa will use reasonable best efforts to ensure that the individuals negotiating the employment agreements for the persons listed on Schedule 4.4, as contemplated by the Chapter 11 Plan, will consult with Appaloosa during that negotiation and that such employment

agreements shall be in form and substance reasonably acceptable to Appaloosa, all subject to approval by the Board of Directors of New Dana on the Effective Date. Without limiting the foregoing, the employment agreements entered into by the Company with the Executive Chairman, the Chief Executive Officer and the Chief Financial Officer shall provide that (i) upon any termination of employment, the Executive Chairman, the Chief Executive Officer and/or the Chief Financial Officer shall resign as a director to the extent applicable (and such employment agreements shall require delivery at the time such agreements are entered into of an executed irrevocable resignation that becomes effective upon such termination) and (ii) the right to receive any payments or other benefits upon termination of employment shall be conditioned upon such resignation. Such agreements shall further provide that if, for any reason, the Executive Chairman, the Chief Executive Officer or the Chief Financial Officer does not resign or the irrevocable resignation is determined to be ineffective, then the holders of the Series A Preferred may remove the Executive Chairman, the Chief Executive Officer or the Chief Financial Officer as a director, subject to applicable law.

4.5 Conduct of Business by Company Pending the Closing. The Company covenants and agrees that, during the period from the date of this Agreement to the Closing Date, (i) except as expressly required or permitted by this Agreement, the Support Agreement or the Chapter 11 Plan, as required by Law or order of the Bankruptcy Court or as set forth in Section 4.5 of the Company Disclosure Letter or otherwise with the prior written consent of Purchaser (which will not be unreasonably withheld or delayed), the business of the Company and its Subsidiaries shall be conducted in the usual and ordinary course of business consistent in all material respects with past practices, and the Company shall use its commercially reasonable efforts to (a) preserve substantially intact its current business organization and (b) preserve in all material respects its present relationships with suppliers, lessors, employees, customers, and other Persons with which it has significant business relations, and (ii) it will promptly give written notice to Appaloosa with particularity upon having knowledge of any matter that may constitute a breach of any of the Company's representations, warranties, agreements or covenants contained in this Agreement that would reasonably be expected to result in a failure of a condition in Section 5.3(b) or 5.3(c). Without limiting the generality of the foregoing, the Company shall not, and it shall cause its Subsidiaries not to, between the date of this Agreement and the Closing Date, except as expressly required or permitted by this Agreement, the Support Agreement or the Chapter 11 Plan, as required by Law or order of the Bankruptcy Court or as set forth in Section 4.5 of the Company Disclosure Letter, directly or indirectly, do, or irrevocably commit to do, any of the following without the prior written consent of Appaloosa or Purchaser, which will not be unreasonably withheld or delayed:

(a) amend or otherwise change the Company's charter or bylaws or, unless the Company Board determines in good faith, after consultation with its outside counsel, that its fiduciary duties require it, amend or grant any waiver under the Rights Agreement;

(b) except for intercompany transactions, issue, deliver, grant, sell or dispose of any of the Company's or its Subsidiaries capital stock or any securities convertible into, or any rights, warrants or options to acquire, any such capital stock at less than fair market value;

(c) declare, set aside, make or pay any dividend or other distribution, whether payable in cash, stock, property or otherwise, with respect to any of its capital stock (other than dividends or distributions by any wholly owned Subsidiary to its parent);

(d) reclassify, combine, split, subdivide or redeem, purchase or otherwise acquire, directly or indirectly, any shares of capital stock of the Company or any Subsidiary or any securities convertible into or exercisable for any such shares of its capital stock or securities;

(e) acquire any shares or equity interests in any corporation, partnership, Person or other business organization or division thereof, or a substantial portion of the assets thereof, except (i) immaterial acquisitions in the ordinary course of business consistent with past practice and (ii) other acquisitions involving not in excess of \$50 million in any transaction;

(f) (i) incur, create or assume any indebtedness for borrowed money (including by issuance of debt securities) other than borrowings in the ordinary course of business consistent with past practices under the Company's or any Subsidiary's existing or any amended or replacement credit facilities or (ii) other than in the ordinary course of business consistent with past practices or for guarantees of Subsidiary obligations to the extent permitted under the Company's applicable credit agreements, issue any debt securities or warrants or other rights to acquire any debt securities of the Company or any Subsidiary, or assume, guarantee or endorse, or otherwise as an accommodation become responsible for, the obligations or indebtedness for borrowed money of any Person, or make any loans or advances or, except in connection with an acquisition permitted under clause (e) above, make any capital contributions to, or investments in, any other Person;

(g) except as may be required as a result of a change in law or in GAAP or audit practices, make any material change to any of the financial accounting methods, practices or principles used by it;

(h) adopt or authorize a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of the Company or any of its Significant Subsidiaries (other than as provided for under the Chapter 11 Plan or as otherwise expressly permitted under this Agreement);

(i) sell, lease, license, mortgage, pledge, grant a lien, mortgage, pledge, security interest, charge, claim or other encumbrance of any kind or nature on or otherwise encumber or dispose of any of its properties or assets, except (i) in the

ordinary course of business consistent with past practice and (ii) other transactions involving not in excess of \$50 million in any 12-month period;

(j) settle or dismiss any Litigation threatened against, relating to or involving the Company and any Subsidiary in connection with any business, asset or property of the Company and any Subsidiary, other than in the ordinary course of business consistent with past practices but not, in any individual case, in excess of \$50 million or in a manner that would prohibit or materially restrict the Company from operating as it has historically (including as of the date of this Agreement);

(k) (A) make any material Tax election, (B) enter into any settlement or compromise of any material Tax liability, (C) file any amended Tax Return with respect to any material Tax, (D) change any annual Tax accounting period, (E) enter into any closing agreement relating to any material Tax, or (F) surrender any right to claim a material Tax refund other than in the ordinary course of business consistent with past practices; or

(l) enter into any new, or amend or supplement any existing, collective bargaining agreement, which is inconsistent with the Chapter 11 Plan, this Agreement or the Support Agreement.

4.6 Access. From the date hereof to the Closing Date, the Company will (i) allow all designated officers, attorneys, accountants and other representatives of Appaloosa and Purchaser reasonable access at reasonable times during normal business hours to the officers, key employees, accountants and other representatives of the Company and its Subsidiaries and the books and records of the Company and its Subsidiaries and (ii) furnish to Appaloosa and Purchaser and their counsel, financial advisors, auditors and other authorized representatives such financial and operating data and other information as such Persons may reasonably request. All information provided pursuant to this Section 4.6 will be subject to the Confidentiality Agreement.

4.7 Publicity. The initial press release relating to this Agreement will be in the form of a joint press release previously agreed between Appaloosa and Purchaser and the Company. Thereafter, the Company (or New Dana, as applicable), Appaloosa and Purchaser will, subject to their respective legal obligations (including requirements of stock exchanges and other similar regulatory bodies), consult with each other, and use reasonable efforts to agree upon the text of any press release, before issuing any such press release or otherwise making public statements with respect to the transactions contemplated hereby and in making any filings with any Governmental Entity or with any national securities exchange with respect thereto.

4.8 HSR Act; Other Regulatory Filings. The Company and Appaloosa will or will cause the Person within which the Company and Purchaser are included, pursuant to the HSR Act and rules and regulations promulgated thereunder, to (i) promptly, but in no event later than twenty business days after the date of the Approval Order, file any and all Notification and Report Forms required under the HSR Act with the Federal Trade Commission (the "FTC") and the Antitrust Division of the

Department of Justice (the "Antitrust Division") and use their respective reasonable efforts to respond as promptly as practicable to all reasonable inquiries received from the FTC or the Antitrust Division for additional information or documentation, (ii) use reasonable best efforts to cause the expiration or termination of any applicable waiting periods under the HSR Act, (iii) use reasonable best efforts to cooperate with each other in (x) determining whether any filings are required to be made with, or consents, permits, authorizations, waivers, clearances, approvals, and expirations or terminations of waiting periods are required to be obtained from any Governmental Entities in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby and (y) timely making all such filings and timely obtaining all such consents, permits, authorizations or approvals, (iii) supply to any Governmental Entity as promptly as reasonably practicable any additional information or documentary material that may reasonably be requested pursuant to any Antitrust Law or by such Governmental Entity, and (iv) use reasonable best efforts to take, or cause to be taken, all other actions and do, or cause to be done, all other things necessary, proper or advisable to consummate and make effective the Investments, including using reasonable best efforts to (A) take such further action as may be necessary to resolve such objections, if any, as the FTC, Antitrust Division, state antitrust enforcement authorities or competition authorities of any other nation or other jurisdiction or any other Person may assert under any Antitrust Law with respect to the Investments, and (B) avoid or eliminate each and every impediment under any Law that may be asserted by any Governmental Entity with respect to the Investments so as to enable the Closing to occur no later than May 1, 2008; provided that, neither the Company nor any of its Subsidiaries will, nor will Appaloosa or any of its Subsidiaries or Affiliates, be obligated to, become subject to, or consent or agree to or otherwise take any action with respect to, any requirement, condition, understanding, agreement or order of a Governmental Entity to sell, to hold separate or otherwise dispose of, or to conduct, restrict, operate, invest or otherwise change the assets or business of the Company or any of its Subsidiaries or Appaloosa or any of its Subsidiaries or Affiliates (any of the foregoing, a "Restrictive Action"), as the case may be, unless such requirement, condition, understanding, agreement or order is binding on the Company or Appaloosa, its Subsidiaries or Affiliates, respectively, only in the event that the Closing occurs; provided, further, that in no event will Appaloosa be required to take any Restrictive Action with respect to any portfolio companies (whether Controlled by Appaloosa or otherwise) of Appaloosa or any of its affiliated funds (other than the Company).

4.9 Reasonable Efforts to Close. The parties agree to use their reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement, including without limitation using reasonable efforts to cause the conditions to Closing to be satisfied as promptly as practicable. Each of Purchaser and the Company agrees that it will consult with the other with respect to the obtaining of all approvals of any and all third parties and Governmental Entities necessary or advisable to consummate the transactions contemplated by this Agreement, and each party will keep the other reasonably apprised of the status of any material matters relating to completion of the transactions

contemplated herein. Appaloosa will cause Purchaser to perform its obligations in this Agreement.

4.10 Notification of Alternative Investment. Nothing in this Agreement will be deemed to preclude the Company from furnishing information with respect to the Company and its Subsidiaries to any Person making an Alternative Proposal or participating in discussions or negotiations with the Person making an Alternative Proposal; provided, that the Company will not disclose any material non-public information to such Person without entering into an Acceptable Confidentiality Agreement. If the Company Board determines in good faith (after consultation with its outside legal counsel and its independent financial advisor or advisors) that the terms of an Alternative Investment proposal are superior to the terms of this Agreement and the Investments, taking into account all legal, financial, regulatory and other aspects of such Alternative Investment, the likely time to consummation of the Alternative Investment and the termination rights of the Unions set forth in the Union Settlement Agreement, then the Company must promptly, but in no event more than one business day, after such Company Board determination provide written notice to Appaloosa (the "Notice of Alternative Investment") advising it that it has received a proposal for an Alternative Investment, specifying the material terms and conditions of such proposal and indicating that the Company Board intends to consider whether to terminate this Agreement pursuant to Section 6.2(f). Appaloosa will have five business days from its receipt of the Notice of Alternative Investment (the "Match Period") to make an offer to amend the terms of this Agreement and the Investments in response thereto.

4.11 Takeover Statutes and Charter. The Company and the Company Board have taken, or with respect to New Dana, will prior to Closing take, all action necessary (a) to ensure that no state takeover statute or similar statute or regulation is or becomes applicable to this Agreement or any transaction contemplated hereby or by the Chapter 11 Plan, the Support Agreement or the Form of Plan, (b) if any state takeover statute is or may become applicable to the transactions contemplated by this Agreement, the Chapter 11 Plan, the Support Agreement or the Form of Plan, to grant such approvals and take such actions as are necessary so that such transactions may be consummated as promptly as practicable on the terms contemplated by this Agreement, the Chapter 11 Plan, the Support Agreement or the Form of Plan and otherwise to act to eliminate or minimize the effects of such statute or regulation on such transactions and (iii) to ensure that this Agreement or any transaction contemplated hereby or by the Chapter 11 Plan, the Support Agreement or the Form of Plan are approved for purposes of Article 14 of the VSCA.

#### V. CONDITIONS TO CLOSING

5.1 Conditions to Each Party's Obligations. The respective obligations of Appaloosa and Purchaser, on the one hand, and Dana and New Dana, on the other hand, to consummate the transactions contemplated by this Agreement are subject to

the fulfillment (or waiver by all parties to the extent permitted by Law) at or prior to the Closing Date of the following conditions:

(a) All conditions precedent to the effectiveness of the Chapter 11 Plan shall have been satisfied or waived pursuant to the provisions therein.

(b) The waiting period (and any extension thereof) if any, applicable to the issuance and sale of the Shares under all applicable Antitrust Laws shall have been terminated or expired.

(c) No Order or Law enacted, entered, promulgated, enforced or issued by any court of competent jurisdiction or other Governmental Entity or other legal restraint or prohibition preventing the consummation of the transactions contemplated by this Agreement shall be in effect.

(d) The Bankruptcy Court shall have issued the Approval Order.

(e) The Union Settlement Agreement shall not have been terminated and shall have been approved by the Bankruptcy Court.

5.2 Conditions to Obligations of the Company. The obligations of the Company to consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver, at or prior to the Closing of the following conditions:

(a) That all closing deliveries set forth in Section 1.5(a) hereof shall have been delivered to New Dana.

(b) All representations and warranties of Appaloosa and Purchaser in Article III must be true and correct in all respects on the Closing Date, except as would not have or reasonably be expected to have a Purchaser Material Adverse Effect.

(c) All covenants in Article IV required to be performed by Appaloosa or Purchaser herein must have been complied with in all material respects.

(d) A confirmation order (the "Confirmation Order") approving the Chapter 11 Plan in a form reasonably acceptable to the Company consistent with the Form of Plan in all respects shall have been entered by the Bankruptcy Court.

(e) The Chapter 11 Plan, including the plan documents attached thereto, shall be in a form reasonably acceptable to the Company consistent with the Form of Plan and shall have been implemented in all material respects in a manner acceptable to the Company.

(f) The Company or New Dana, as the case may be, must have received from Appaloosa a certificate of an executive officer of Appaloosa (without personal liability) certifying to the satisfaction of the conditions set forth in Sections 5.2(b) and 5.2(c) above.

5.3 Conditions to Obligations of Purchaser. The obligations of Purchaser to consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver, at or prior to the Closing of the following conditions:

(a) All closing deliveries set forth in Section 1.6(b) hereof must have been delivered to Purchaser.

(b) All representations and warranties of the Company and New Dana in Article II must be true and correct in all respects on the Closing Date, except as would not have or reasonably be expected to have a Company Material Adverse Effect.

(c) All covenants in Article IV required to be performed by the Company or New Dana, as the case may be, must have been complied with in all material respects.

(d) No Company Material Adverse Effect shall have occurred between the date hereof and the Closing.

(e) The Confirmation Order approving the Chapter 11 Plan in a form reasonably acceptable to Appaloosa consistent with the Form of Plan in all respects shall have been entered by the Bankruptcy Court on or before February 28, 2008.

(f) The Company shall have obtained exit financing with parties and on market terms that are reasonably acceptable to Appaloosa and shall have consulted with Appaloosa regarding such parties and terms.

(g) The Chapter 11 Plan and the related disclosure statement shall have been filed with the Bankruptcy Court no later than \_\_\_\_\_, 2007.

(h) The Chapter 11 Plan, including the plan documents attached thereto, shall be in a form acceptable to Appaloosa and shall have been implemented in all material respects in a manner acceptable to Appaloosa consistent with this Agreement and the Form of Plan.

(i) Appaloosa must have received from the Company or New Dana, as the case may be, a certificate of an executive officer of the Company or New Dana, as the case may be, (without personal liability) certifying to such executive's Knowledge the satisfaction of the conditions set forth in Sections 5.3(b), (c) and (d) above.

(j) New Dana's charter or amendments to the Company's charter, as applicable, shall have been filed with the Secretary of State of the state in which it is incorporated, which charter or amendments, and the bylaws of New Dana in effect as of the Closing Date, shall be in form and substance reasonably acceptable to Purchaser and Appaloosa and consistent with this Agreement and the Exhibits hereto, necessary to implement the transactions contemplated by this Agreement, the Chapter 11 Plan, the Support Agreement and the Form of Plan; provided, however, that the terms of the Series A Preferred and Series B Preferred included in the New Dana charter shall in any event be in the form of Exhibit A, and Appaloosa shall have received from the



Company or New Dana, as the case may be, a certificate of the Secretary of the Company or New Dana, as the case may be, certifying as to such charter and bylaws.

(k) Effective upon the Closing, the New Dana Board shall consist of nine directors, (i) three of whom shall be designated by Appaloosa, (ii) three of whom shall be designated by representatives of the unsecured creditor's committee (the "Creditors' Committee") appointed in the Chapter 11 Case, each of whom shall be an Independent Director, (iii) one of whom shall be the Chief Executive Officer of the Company, (iv) one of whom shall be the Executive Chairman (as defined in the Shareholders Agreement) and (v) one of whom shall be selected by the Standby Purchasers other than Appaloosa, and reasonably acceptable to Appaloosa. At least two-thirds of the members of the New Dana Board shall be Independent Directors.

(l) The Rights Offering shall have been conducted in all material respects in accordance with this Agreement and the Disclosure Statement and the Expiration Time shall have occurred.

(m) Each of the Standby Purchasers shall have received a Purchase Notice from the Company, dated as of the Determination Date, certifying as to the number of Unsubscribed Shares to be purchased or a Satisfaction Notice.

(n) There shall not have occurred any material strike or labor stoppage or slowdown at the Company or General Motors, Chrysler, Ford Motor Company or any of their respective Subsidiaries.

5.4 Frustration of Closing Conditions. No party hereto may rely, either as a basis for not consummating the Investments or terminating this Agreement and abandoning the Investments, on the failure of any condition set forth in Section 5.1, 5.2 or 5.3, as the case may be, to be satisfied if such failure was caused by such party's breach in any material respect of any provision of this Agreement or failure to use all reasonable best efforts to consummate the Investments and the other transactions contemplated hereby.

#### VI. TERMINATION AND WAIVER

6.1 Termination by Mutual Consent. This Agreement may be terminated at any time prior to the Closing Date by the mutual consent of Appaloosa and the Company.

6.2 Other Termination Rights. This Agreement may also be terminated:

(a) by either Appaloosa or the Company, if the Effective Date has not occurred on or before May 1, 2008; provided, however, that no party may terminate this Agreement pursuant to this Section 6.2(a) if such party has failed in any material respect to fulfill any of its obligations under this Agreement;

(b) by either Appaloosa or the Company, if any Governmental Entity has issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the consummation of the purchase of Shares by Purchaser or any of the other transactions contemplated by this Agreement and such order, decree or ruling or other action has become final and nonappealable;

(c) by either Appaloosa or the Company, if the Chapter 11 Case is dismissed or converted to a case under Chapter 7 of the Bankruptcy Code or a Chapter 11 trustee is appointed;

(d) by Appaloosa, if there has been a default or breach by the Company of its representations and warranties, covenants or agreements set forth in this Agreement, or in connection with the transactions contemplated hereby, which default or breach is incapable of being cured or, if capable of being cured has not been cured within 60 days following receipt by the Company from Appaloosa of written notice of such default or breach (specifying in reasonable detail the claimed default or breach and demand of its cure or satisfaction) and which default or breach would result in a failure of the condition set forth in Section 5.3(f) or (g), as applicable or if, pursuant to an order of the Bankruptcy Court, the Debtor no longer has the exclusive right to file a plan of reorganization; provided, however, that Appaloosa will not have the right to terminate this Agreement pursuant to this Section 6.2(d) if it or Purchaser is in material breach of any representations, warranties, covenants or agreements hereunder;

(e) by the Company, if there has been a default or breach by Appaloosa or Purchaser of its representations and warranties, covenants or agreements set forth in this Agreement, or in connection with the transactions contemplated hereby, which default or breach is incapable of being cured or, if capable of being cured has not been cured within 60 days following receipt by Appaloosa from the Company of written notice of such default or breach (specifying in reasonable detail the claimed default or breach and demand of its cure or satisfaction) and which default or breach would result in a failure of the condition set forth in Section 5.2(d) or (e), as applicable; provided, however, that the Company will not have the right to terminate this Agreement pursuant to this Section 6.2(e) if it is in material breach of any representations, warranties, covenants or agreements hereunder;

(f) by the Company, in the event that the Company Board approves an Alternative Investment (whether pursuant to a binding letter of intent or definitive agreements) after determining in good faith (after consultation with its outside legal counsel and its independent financial advisor or advisors) that the terms of such Alternative Investment are superior to the terms of this Agreement and the Investments, taking into account all legal, financial, regulatory and other aspects of such Alternative Investment, the likely time to consummation of the Alternative Investment, the termination rights of the Unions set forth in the Union Settlement Agreement and any amendments to this Agreement and the Investments proposed by Appaloosa during the Match Period; provided, however, that in order for the termination of this Agreement pursuant to this Section 6.2(f) to be effected, the Company shall first have complied in all material respects with the provisions of Section 4.10;

(g) by the Company, in the event that the Company Board approves an Alternative Majority Investment (whether pursuant to a binding letter of intent or definitive agreements) after determining in good faith (after consultation with its outside legal counsel and its independent financial advisor or advisors) that the terms of such Alternative Majority Investment are more favorable to the bankruptcy estate of the Debtor than the Chapter 11 Plan and the Investments, taking into account all legal, financial, regulatory and other aspects of such Alternative Majority Investment, the likely time to consummation of the Alternative Majority Investment and the termination rights of the Unions set forth in the Union Settlement Agreement;

(h) by the Company, in the event that the Company Board approves an Alternative Transaction (whether pursuant to a binding letter of intent or definitive agreements) after determining in good faith (after consultation with its outside legal counsel and its independent financial advisor or advisors) that the terms of such Alternative Transaction are more favorable to the bankruptcy estate of the Debtor than the Chapter 11 Plan and the Investments, taking into account all legal, financial, regulatory and other aspects of such Alternative Transaction, the likely time to consummation of the Alternative Transaction and the termination rights of the Unions set forth in the Union Settlement Agreement; and

(i) by the Company, in the event that the Company Board approves an Alternative Stand-Alone Plan after determining in good faith (after consultation with its outside legal counsel and its independent financial advisor or advisors) that the terms of an Alternative Stand-Alone Plan are more favorable to the bankruptcy estate of the Debtor than the Chapter 11 Plan and the Investments, taking into account all legal, financial, regulatory and other aspects of such Alternative Stand-Alone Plan, the likely time to consummation of the Alternative Stand-Alone Plan and the termination rights of the Unions set forth in the Union Settlement Agreement.

6.3 Effect of Termination. (a) Any termination of this Agreement by Appaloosa pursuant to this Article VI will be deemed to be a termination on behalf of itself and Purchaser.

(b) A termination under Section 6.1 will be effective upon the date of the mutual agreement to terminate this Agreement pursuant thereto.

(c) In order to terminate this Agreement pursuant to Section 6.2 hereof by Appaloosa or the Company, written notice thereof must promptly be given to the other party specifying the provision hereof pursuant to which such termination is made, and the effective date of such termination will be as follows (with respect to each applicable paragraph of Section 6.2, the "Termination Effective Date" thereof):

(i) with respect to a termination under Section 6.2(a), (b), (c), (d) or (e), such termination will become effective upon notice of the exercise of such termination right, in accordance with Section 8.1;

(ii) with respect to a termination under Section 6.2(f), (g) or (h), notwithstanding the prior delivery of a notice of the Company's exercise of such termination right, such termination will become effective only upon the earlier to occur of (A) the approval by the Bankruptcy Court of the Alternative Investment, the Alternative Majority Investment or the Alternative Transaction, respectively, (B) the 30th day after the applicable Company Board approval giving rise to such termination right, as described in Section 6.2(f), (g) or (h), and (C) the Company's written notice to Appaloosa that it wishes the termination to be effective at a specified earlier date, respectively; provided, however, that in the event the Bankruptcy Court enters an order denying the Company's motion to approve such Alternative Investment, Alternative Majority Investment or Alternative Transaction, as applicable, prior to such 30th day (or, if earlier, the date of such Company notice), the Company's termination notice relating thereto will automatically and without further action be deemed to have been withdrawn and such termination will not become effective for any purposes under this Agreement; and

(iii) with respect to a termination under Section 6.2(i), notwithstanding the prior delivery of a notice of the Company's exercise of such termination right, such termination will become effective only upon the entry of an order by the Bankruptcy Court approving the disclosure statement relating to such Alternative Stand-Alone Plan or such earlier date on which the Company give written notice to Appaloosa that it wishes the termination to be effective at a specified earlier date.

(d) Upon the effectiveness of the termination of this Agreement pursuant to Section 6.3(c), this Agreement will become void and have no effect, and there will be no liability hereunder on the part of Appaloosa, Purchaser or the Company or New Dana; provided, however, that Section 4.7 and Article VIII and all obligations to pay any fees pursuant to Article VII, if any, will survive any such effectiveness or termination as set forth therein; provided further, however, that nothing in this Section 6.3 will relieve Appaloosa or Purchaser of liability for any breach of this Agreement. The Confidentiality Agreement will, except as provided herein, remain in effect during the term of this Agreement and following its termination pursuant to its terms; provided, however, that such agreement will automatically terminate as of the Closing. Notwithstanding that a termination of this Agreement pursuant to Section 6.2(f), (g), (h) or (i) is not yet effective, upon delivery by the Company of notice of termination pursuant to one of those Sections, the Company's obligations to pursue the Chapter 11 Plan and to otherwise use reasonable efforts to consummate, and take actions in furtherance of, the transaction contemplated by this Agreement and the Chapter 11 Plan will be suspended until such termination either becomes effective or is withdrawn pursuant to the applicable provision of Section 6.2; provided, however, that during such suspension period, the Company will not voluntarily take any action, directly or indirectly, that would preclude continued compliance with its obligations hereunder should the termination be so withdrawn.

## VII. FEES AND EXPENSES

7.1 Termination Fee / Expenses. Subject to Section 7.3, in the event that this Agreement is terminated pursuant to (i) Section 6.2(a) then the Company will be obligated to pay Purchaser, as liquidated damages, a payment of \$2.5 million or (ii) Section 6.2(c) or (d), then the Company will be obligated to pay Purchaser, as liquidated damages, a payment of \$3.5 million (any payment to be made under clause (i) or (ii) above, a "Termination Fee") plus an additional amount equal to the reasonable out-of-pocket costs and expenses incurred by Appaloosa and Purchaser in connection with this Agreement and the transactions contemplated hereby, in an amount not to exceed \$4.0 million (the "Purchaser Expenses"). Any such payments pursuant to this Section 7.1 will be earned and payable by the Company to Purchaser immediately upon the Termination Effective Date of the applicable termination.

7.2 Commitment Fee. Subject to Section 7.3, in consideration of the Standby Purchasers' commitment to purchase any Unsubscribed Shares pursuant to the terms of this Agreement, on the Effective Date, the Company will pay to Purchaser a commitment fee in an aggregate amount equal to \$10.0 million (the "Commitment Fee"), plus an additional amount equal to the Purchaser Expenses.

7.3 No Duplication of Payments. Notwithstanding any other provision hereof, Purchaser shall be entitled to only one payment of each of the following fees and expenses: (a) Purchaser Expenses, (b) a Termination Fee and (c) a Commitment Fee, as applicable, pursuant to Section 7.1 or 7.2.

7.4 Superpriority Administration Expense Claims. The liquidated damages payments payable pursuant to Section 7.1 and 7.2 will be superpriority allowed administrative expense claims having priority over all other administrative claims other than any such claims of the Debtors' post-petition lenders in their capacity as such.

7.5 Liquidated Damages. Appaloosa and Purchaser agree that it would be impractical and extremely difficult to determine the extent of any damages to Appaloosa and Purchaser that might result from a breach by the Company of any representation, warranty, covenant or agreement of this Agreement or the Support Agreement. Therefore, the parties acknowledge and agree that any payment to Purchaser made pursuant this Article VII will be paid as liquidated damages and the parties' good faith estimate of the actual potential damages to Purchaser and Appaloosa for any such breach. Purchaser and Appaloosa agree to accept such amounts as satisfaction in full of any claim or demand that Purchaser or Appaloosa may have against the Company, its Affiliates, employees, officers, directors, agents, successors and assigns because of such breach.

VIII. GENERAL PROVISIONS

8.1 Notices. Any notice or other communication required to be given hereunder will be in writing, and sent by reputable courier service (with proof of service), by hand delivery, or by email or facsimile (followed on the same day by delivery by courier service (with proof of delivery) or by hand delivery), addressed as follows:

If to Appaloosa or Purchaser:

Appaloosa Management L.P.  
26 Main Street  
Chatham, NJ 07928  
Attention: James Bolin  
Email: j.bolin@amlp.com  
Fax: (973) 701-7055

With a copy to:

White & Case LLP  
Wachovia Financial Center  
200 South Biscayne Boulevard  
Suite 4900  
Miami, Florida 33131-2352  
Attention: Thomas E. Lauria (tlauria@whitecase.com)  
Gerard Uzzi (guzzi@whitecase.com)  
Fax: (305) 358-5744/5766

And

White & Case LLP  
1155 Avenue of the Americas  
New York, New York 10036  
Attention: John Reiss (jreiss@whitecase.com)  
Steven Teichman (steichman@whitecase.com)  
Fax: 212-354-8113

If to the Company or New Dana:

Dana Corporation (or the name of New Dana)  
4500 Dorr Street  
Toledo, OH 43615  
Attention: General Counsel and Secretary  
Email:  
Fax: (419) 535-4544

With copies to:

Jones Day  
222 East 41st Street  
New York, New York 10017  
Attention: Corinne Ball  
Email: cball@jonesday.com  
Fax: (212) 755-7306

and

Attention: Marilyn W. Sonnie  
Email: mwsonnie@jonesday.com  
Fax: (212) 755-7306

or to such other address as any party will specify by written notice so given, and such notice will be deemed to have been delivered as of the date so telecommunicated or personally delivered.

8.2 Assignment; Binding Effect. Neither this Agreement nor any of the rights, interests or obligations hereunder will be assigned by any party hereto (whether by operation of Law or otherwise) without the prior written consent of the other party, except that (a) Appaloosa will have the right to assign any of the rights and obligations of Appaloosa hereunder to any Standby Purchaser who executes and delivers to the Company an Assumption Agreement, provided, that any such assignment will not relieve Appaloosa from any of its obligations hereunder and (b) the Company will, effective as of the Effective Date, assign all of its rights and obligations under this Agreement to New Dana. Any assignment not granted in accordance with the foregoing will be null and void. Subject to the first and last sentence of this Section 8.2, this Agreement will be binding upon and will inure to the benefit of the parties hereto and their respective successors and assigns. Notwithstanding anything contained in this Agreement to the contrary, (A) the Company's and New Dana's obligations hereunder are subject to approval by the Bankruptcy Court of the transactions contemplated hereby and under the other Transaction Documents and (B) nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the parties hereto or their respective heirs, successors, executors, administrators and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

8.3 Entire Agreement. This Agreement, the Company Disclosure Letter, and any documents delivered by the parties in connection herewith or therewith, including the Transaction Documents, the Support Agreement and the Confidentiality Agreement constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements and understandings among the parties with respect thereto. The Confidentiality Agreement and Support Agreement remain in full force and effect.

8.4 Amendment. Subject to applicable law, including but not limited to the requirements of the Bankruptcy Code and the orders of the Bankruptcy Court, this Agreement may only be amended by an instrument in writing signed on behalf of each of the parties hereto.

8.5 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York, without regard to its conflict of laws principles.

8.6 Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered will be an original, but all such counterparts will together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof each signed by less than all, but together signed by all of the parties hereto. A facsimile copy of a signature page will be deemed to be an original signature page.

8.7 Headings. Headings of the Articles and Sections of this Agreement are for the convenience of the parties only, and will be given no substantive or interpretive effect whatsoever.

8.8 Certain Definitions/Interpretations. (a) For purposes of this Agreement:

(i) "Assumption Agreement" means an agreement in writing in substantially the form of Exhibit A to the Shareholders Agreement pursuant to which the party thereto agrees to be bound by the terms and provisions of this Agreement;

(ii) An "Affiliate" of any Person means another Person that, directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under Common Control with, such first Person; provided that as such term is used in this Agreement, Appaloosa and Purchaser will not be considered to be Affiliates of the Company;

(iii) "Alternative Investment" means an investment proposed by any Person or group of Persons (other than a party to this Agreement or its Affiliates) (a "Third Party Investor") that would result in any direct or indirect acquisition or purchase by such Third Party Investor of beneficial ownership of less than 50% of the equity securities of New Dana entitled to vote generally in the election of directors calculated on a fully-diluted basis, taking into account any securities convertible into, exchangeable for or exercisable for any such securities (whether immediately or otherwise) on an as-converted, exchanged or exercised basis, that would be an alternative to the Investments;

(iv) "Alternative Majority Investment" means an investment proposed by any Third Party Investor, other than an Alternative Investment, that would result in any direct or indirect acquisition or purchase by such Third Party Investor of beneficial ownership of at least 50% of the equity securities of New Dana entitled



to vote generally in the election of directors calculated on a fully-diluted basis, taking into account any securities convertible into, exchangeable for or exercisable for any such securities (whether immediately or otherwise) on an as-converted, exchanged or exercised basis, that would be an alternative to the Investments; ;

(v) "Alternative Transaction" means a proposed transaction, other than an Alternative Investment or Alternative Majority Investment, between the Company and a Third Party Investor, involving the sale of all or substantially all of the assets of Debtor as a going concern and not as a liquidation;

(vi) "Alternative Stand-Alone Plan" means any plan of reorganization for the Company, not involving any Alternative Investment, Alternative Majority Investment or Alternative Transaction, proposed by the Debtor without any party providing equity financing;

(vii) "Antitrust Laws" means the Sherman Antitrust Act, as amended, the Clayton Act of 1914, as amended, the HSR Act, the Federal Trade Commission Act of 1914, as amended, Council Regulation (EC) No. 139/2004 of 20 January 2004 on the control of concentrations between undertakings, as amended, and all other Laws and Orders that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade, whether foreign or domestic;

(viii) "Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of New York;

(ix) "Certificate of Designation" means the Articles of Serial Designation of 4.0% Series A Convertible Preferred Stock and 4.0% Series B Convertible Preferred Stock in the form of Exhibit A;

(x) "Claims" means claims (as such term is defined under section 101 of the Bankruptcy Code) against the Company or any rights to acquire such claims;

(xi) "Company Board" means the board of directors of the Company;

(xii) "Company Material Adverse Effect" means any change, effect, event or condition that has had or could reasonably be expected to have a material adverse effect (a) on the business, results of operations or financial condition of the Company, New Dana and their Subsidiaries, taken as a whole, or (b) that would prevent the Company from timely consummating the transactions contemplated hereby in all material respects; provided, however, that the definition of Company Material Adverse Effect will not include facts, circumstances, events, changes, effects or occurrences (i) generally affecting the industry in which the Company and its Subsidiaries or their customers operate, or the economy or the financial, credit or securities markets, in the United States or other countries in which the Company or its Subsidiaries operate, including

effects on such industries, economy or markets resulting from any regulatory and political conditions or developments in general, or any outbreak or escalation of hostilities, declared or undeclared acts of war or terrorism (other than any of the foregoing that causes any damage or destruction to or renders physically unusable or inaccessible any facility or property of the Company or any of its Subsidiaries); (ii) reflecting or resulting from changes in law or GAAP (or authoritative interpretations thereof); (iii) resulting from actions of the Company or any of its Subsidiaries that Appaloosa has expressly requested in writing or to which Appaloosa has expressly consented to in writing; (iv) to the extent resulting from the announcement of the Investments and the transactions contemplated thereby, including any lawsuit related thereto or any loss or threatened loss of or adverse change or threatened adverse change, in each case resulting therefrom, in the relationship of the Company or its Subsidiaries with its customers, suppliers, employees or others; (v) resulting from changes in the market price or trading volume of the Company's securities, provided that the exceptions in this clause (v) are strictly limited to any such change or failure in and of itself and will not prevent or otherwise affect a determination that any fact, circumstance, event, change, effect or occurrence underlying such change or such failure has resulted in, or contributed to a Company Material Adverse Change; (vi) resulting from the suspension of trading in securities generally on any U.S. national securities exchange; or (vii) resulting from changes in the pool of claims (as such term is defined in Section 1.01(5) of the Bankruptcy Code); except to the extent that, with respect to clauses (i) and (ii), the impact of such fact, circumstance, event, change, effect or occurrence is disproportionately adverse to the Company and its Subsidiaries, taken as a whole, as compared to other Persons engaged in the industries in which the Company and its Subsidiaries compete;

(xiii) "Company Reports" means all forms and reports filed by the Company with the SEC after January 1, 2006, and any such forms or reports filed by the Company with the SEC after the date of this Agreement and until the Closing Date, in each case under Sections 12(b) or 12(g) of the Exchange Act and the rules and regulations promulgated thereunder;

(xiv) "Confidentiality Agreement" means that agreement by and between Appaloosa and the Company, dated as of July 21, 2007;

(xv) "Control" (including the terms "Controlling", "Controlled by" and under "Common Control with") means possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise;

(xvi) "Independent Director" has the meaning given such term in Exhibit B;

(xvii) "Knowledge" means the actual knowledge after reasonable inquiry of any of the Company's executive officers in the case of the Company and, in

the case of Purchaser, means the actual knowledge of Appaloosa's executive officers after reasonable inquiry;

(xviii) "Litigation" means any complaint, action, suit, proceeding, arbitration or other alternate dispute resolution procedure, demand, investigation or inquiry, whether civil, criminal or administrative;

(xix) "New Common Stock" means the common stock of New Dana issued pursuant to the Plan;

(xx) "New Dana Board" means the board of directors of New Dana; (xxi) "Person" means any individual, firm, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization or other entity;

(xxii) "Purchaser Material Adverse Effect" means any change, effect, event or condition that has prevented or materially delayed or could reasonably be expected to prevent or materially delay Appaloosa's or Purchaser's ability to consummate the transactions contemplated hereby;

(xxiii) "Rights Agreement" means the Rights Agreement, dated as of April 25, 1996, as amended, between the Company and The Bank of New York, successor to Mellon Investor Services LLC (formerly Chemical Mellon Shareholder Services, L.L.C.), as Rights Agent;

(xxiv) "Securities Laws" means, collectively, the Securities Act, the Exchange Act, and any state securities and "blue sky" laws;

(xxv) "Significant Subsidiary" has the meaning set forth in Rule 1-02(w) of Regulation S-X promulgated by the SEC;

(xxvi) "Subsidiary" when used with respect to any Person, means any corporation or other organization, whether incorporated or unincorporated, of which such Person directly or indirectly owns or Controls more than 50% of the securities or other interests having by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions;

(xxvii) "Taxes or Tax" means all federal, state, local and foreign taxes arising after the date on which the Debtor filed the Chapter 11 Case, in the case of the Debtor, and arising at anytime in the case of Persons other than the Debtor, (including income or profits taxes, alternative or add-on minimum taxes, profits or excess profits taxes, premium taxes, occupation taxes, excise taxes, sales taxes, use taxes, gross receipts taxes, franchise taxes, ad valorem taxes, severance taxes, capital levy taxes, prohibited transaction taxes, transfer taxes, value added taxes, employment and payroll-related taxes (including employee withholding or employer payroll tax, FICA or FUTA), real or personal property taxes, business license taxes, occupation taxes, stamp taxes or duties,

withholding or back up withholding taxes, import duties and other governmental charges and assessments), of any kind whatsoever, including charges, interest, additions to tax and penalties with respect thereto, it being agreed that the foregoing shall include any transferee or secondary liability for a Tax and any liability assumed by agreement or arising as a result of being or ceasing to be a member of any affiliated group or being included or required to be included in any Tax Return;

(xxviii) "Unions" means, the United Steelworkers of America and the International Union, UAW; and

(xxix) "Union Settlement Agreement" means the Settlement Agreements by and between the Company and the Unions.

(xxx) "Unsecured Claims" means unsecured nonpriority Claims other than: (i) subject to Appaloosa's reasonable approval as to the size of the claims contained in such class, convenience class claims, and (ii) subject to Appaloosa's reasonable approval, (a) asbestos personal injury claims, (b) intercompany claims, (c) Dana Credit Corporation claims and (d) any claims of the non-union retirees represented by the Official Committee of Non-Union Retirees.

(b) When a reference is made in this Agreement to an Article, Section, Exhibit or Annex, such reference will be to an Article or Section of, or an Annex or Exhibit to, this Agreement unless otherwise indicated. Whenever the words "include," "includes" or "including" are used in this Agreement, they will be deemed to be followed by the words "without limitation." The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement will refer to this Agreement as a whole and not to any particular provision of this Agreement. All terms used herein with initial capital letters have the meanings ascribed to them herein and all terms defined in this Agreement will have such defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such term. Any agreement, instrument or statute defined or referred to herein or in any agreement or instrument that is referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes and references to all attachments thereto and instruments incorporated therein. References to a Person are also to its permitted successors and assigns. As the context requires, all references to the "Company" contained herein shall be references to "New Dana" after the Closing.

8.9 No Survival of Representations and Warranties. None of the representations and warranties in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Closing.

8.10 Waivers. Except as provided in this Agreement, no action taken pursuant to this Agreement, including without limitation any investigation by or on behalf of any party, will be deemed to constitute a waiver by the party taking such action of compliance with any representations, warranties, covenants or agreements contained in this Agreement. The waiver by any party hereto of a breach of any provision hereunder will not operate or be construed as a waiver of any prior or subsequent breach of the same or any other provision hereunder. At any time prior to the Closing Date, any party hereto may (a) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (b) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto, and (c) waive compliance with any of the agreements or conditions contained herein. Any such extension or waiver will be valid only if set forth in an instrument in writing signed by the party or parties to be bound thereby.

8.11 Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision will be interpreted to be only so broad as is enforceable.

8.12 Jurisdiction; Consent to Service of Process. (a) Each party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Bankruptcy Court, and any appellate court from any such court, in any suit, action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, or for recognition or enforcement of any judgment resulting from any such suit, action or proceeding, and each party hereby irrevocably and unconditionally agrees that all claims in respect of any such suit, action or proceeding may be heard and determined in the Bankruptcy Court.

(b) It will be a condition precedent to each party's right to bring any such suit, action or proceeding that such suit, action or proceeding, in the first instance, be brought in the Bankruptcy Court, and if each such court refuses to accept jurisdiction with respect thereto, such suit, action or proceeding may be brought in any other court with jurisdiction.

(c) No party may move to (i) transfer any such suit, action or proceeding from the Bankruptcy Court to another jurisdiction, (ii) consolidate any such suit, action or proceeding brought in the Bankruptcy Court with a suit, action or proceeding in another jurisdiction, or (iii) dismiss any such suit, action or proceeding brought in the Bankruptcy Court for the purpose of bringing the same in another jurisdiction.

(d) Each party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, (i) any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or

relating to this Agreement in the Bankruptcy Court, (ii) the defense of an inconvenient forum to the maintenance of such suit, action or proceeding in any such court, and (iii) the right to object, with respect to such suit, action or proceeding, that such court does not have jurisdiction over such party. Each party irrevocably consents to service of process in any manner permitted by law.

8.13 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

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

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused the same to be duly delivered on their behalf on the day and year first written above.

DANA CORPORATION

By: -----

Name:

Title:

APPALOOSA MANAGEMENT, L.P.

By: -----

Name:

Title: Authorized Person

[PURCHASER]

By: -----

Name:

Title: Authorized Person

List of Exhibits

- Exhibit A - Form of Certificate of Designation
- Exhibit B - Form of Shareholders Agreement
- Exhibit C - Form of Series A Registration Rights Agreement
- Exhibit D - Form of Series B Registration Rights Agreement
- Exhibit E - Form of Market Maker Agreement Referenced in Exhibit A



SHAREHOLDERS AGREEMENT

SHAREHOLDERS AGREEMENT (this "Agreement"), dated as of \_\_\_\_\_, 200\_, among [New Dana Corporation], a [\_\_\_\_\_] corporation (the "Company"), (1) Appaloosa Management, L.P., a Delaware limited partnership ("Appaloosa"), and \_\_\_\_\_, a \_\_\_\_\_ (together with any Qualified Purchaser Transferee thereof, "Purchaser"). (2)

A. Dana Corporation, a Virginia corporation and the predecessor to the Company for certain Bankruptcy Code purposes ("Dana"), entered into an Investment Agreement, dated as of September [ ], 2007 (the "Investment Agreement"), with Appaloosa, Purchaser and the other parties thereto, pursuant to which, among other things, on the terms and subject to the conditions thereof, Purchaser has agreed to acquire up to 2,500,000 shares of the Company's 4.0% Series A Convertible Preferred Stock, par value \$0.01 per share (the "Series A Preferred"), and up to 5,000,000 shares of the Company's 4.0% Series B Convertible Preferred Stock, par value \$0.01 per share (the "Series B Preferred"). The Series A Preferred and Series B Preferred are convertible into shares of the Company's common stock, par value \$0.01 per share (the "Common Stock"), on the terms set forth in the Articles (defined below).

B. The Series A Preferred owned by Purchaser constitutes 100% of the shares of Series A Preferred outstanding on the date hereof, and the Series B Preferred owned by Purchaser constitutes \_\_\_% of the shares of Series B Preferred outstanding on the date hereof. Together, the shares of Series A Preferred and Series B Preferred owned by Purchaser constitute \_\_\_% of the shares of the Common Stock outstanding on the date hereof, on an as-converted basis.

C. The Company, Purchaser and Appaloosa desire to make certain provisions in respect of their relationship.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto agree as follows:

I. DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere herein, the following terms have the following meanings when used herein:

"Affiliate" has the meaning given to such term in the Articles; provided,

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(1) Corporate name/jurisdiction of reorganized company to be determined.

(2) Note: Standby Purchasers (if any) to be added as parties and throughout document in appropriate places.

however, that as such term is used in this Agreement, the members of the Investor Group will not be included as Affiliates of the Company.

"Articles" means the Company's Articles of Serial Designation of 4.0% Series A Convertible Preferred Stock and 4.0% Series B Convertible Preferred Stock, in the form attached hereto as Exhibit A.

"Assumption Agreement" means an agreement in writing in substantially the form of Exhibit B hereto pursuant to which the party thereto agrees to be bound by the terms and provisions of this Agreement.

"Bankruptcy Code" means chapter 11 of title 11 of the United States Code.

"Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of New York.

A Person will be deemed the "beneficial owner" of, and will be deemed to "beneficially own," and will be deemed to have "beneficial ownership" of:

(i) any securities that such Person or any of such Person's Affiliates is deemed to "beneficially own" within the meaning of Rule 13d-3 under the Exchange Act, as in effect on the date of this Agreement and any securities deposited into a trust established by the Person the sole beneficiaries of which are the shareholders of the Person; and

(ii) any securities (the "underlying securities") that such Person or any of such Person's Affiliates has the right to acquire (whether such

right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding (written or oral), or upon the exercise of conversion rights, exchange rights, rights, warrants or options, or otherwise (it being understood that such Person will also be deemed to be the beneficial owner of the securities convertible into or exchangeable for the underlying securities); and

(iii) any securities beneficially owned by persons that are part of a "group" (within the meaning of Rule 13d-5(b) under the Exchange Act) with such Person.

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

"Chapter 11 Plan" means the joint plan of reorganization filed by Dana and its debtor subsidiaries with the Bankruptcy Court.

"Charter" means the Company's Restated Articles of Incorporation, as in effect from time to time, together with the Articles.

"Company Sale" has the meaning given to such term in the Articles.

"Current Market Price" has the meaning given to such term in the Articles.

"Director Designation Termination Date" means the date on which shares of Series A Preferred having an aggregate Series A Liquidation Preference of at least \$125 million are no longer owned by Purchaser.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Fair Market Value" has the meaning given to such term in the Articles.

"Indebtedness" means all indebtedness of a Person, including without limitation obligations for borrowed money, lease financing and indebtedness of another Person guaranteed by such Person or secured by the assets of such Person.

"Independent Director" has the meaning given to such term in the Articles.

"Investor Group" means Purchaser and its Affiliates, including Appaloosa.(3)

"Person" has the meaning given to such term in the Articles.

"Purchaser Designees" means the directors of the Company who were designated for nomination pursuant to Article III of this Agreement.

"Qualified Purchaser Transferee" means an Affiliate of Purchaser that executes an Assumption Agreement, but only to the extent that such Qualified Purchaser Transferee is a corporation or other organization, whether incorporated or unincorporated, of which either Purchaser or Appaloosa directly or indirectly owns or controls 100% of the securities or other interests having by their terms ordinary voting power to elect the board of directors (or others performing similar functions) of such corporation or other organization.(4)

"Representatives" means, with respect to a Person, such Person's directors, officers, employees, agents, counsel, consultants, accountants, experts, auditors, examiners, financial advisors or other representatives, agents or professionals.

"Series A Liquidation Preference" means \$100.00 per share, as adjusted from time to time in accordance with the Articles.

"Subsidiary" means, when used with respect to any Person, any corporation or other organization, whether incorporated or unincorporated, of which such Person directly or indirectly owns or controls more than 50% of the securities or other interests having by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions.

"Voting Securities" means the Common Stock, all other equity securities

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(3) Note: see footnote 2.

(4) Note: see footnote 2.

entitled to vote in the election of directors of the Company and all other securities convertible into, exchangeable for or exercisable for any such securities (whether immediately or otherwise), including the Series A Preferred and the Series B Preferred.

## II. STANDSTILL

2.1 Limitation During Standstill Period. Subject to Section 2.2, during the period commencing on the date of this Agreement and ending on the tenth anniversary thereof, none of Purchaser, Appaloosa or any of their respective Affiliates will, and none of their respective Representatives will on their behalf, publicly propose or publicly announce or otherwise disclose publicly an intent to propose, or enter into an agreement with any Person for, singly or with any other Person or directly or indirectly, (a) any form of business combination, acquisition or other transaction relating to the Company or any of its Subsidiaries, (b) any form of restructuring, recapitalization or similar transaction with respect to the Company or any of its Subsidiaries, or (c) any demand, request or proposal to amend, waive or terminate any provision of this Article II, nor except as aforesaid during such period will Purchaser, Appaloosa or any of their respective Affiliates or any of their Representatives on their behalf (i) acquire, or offer, propose or agree to acquire, by purchase or otherwise, subject to applicable securities laws, any Voting Securities, (ii) make, or in any way participate in, any solicitation of proxies or votes with respect to any such Voting Securities (including by the execution of action by written consent), become a participant in any election contest with respect to the Company or any of its Subsidiaries, seek to influence any person with respect to any such Voting Securities, make a shareholder proposal with respect to the Company or its Subsidiaries or demand a copy of any the Company's or its Subsidiaries' lists of shareholders or other books and records, (iii) participate in or encourage the formation of any partnership, syndicate or other group which owns or seeks or offers to acquire beneficial ownership of any such Voting Securities or which seeks to affect control of the Company or any of its Subsidiaries or has the purpose of circumventing any provision of this Agreement, (iv) otherwise act, alone or in concert with others (including by providing financing for another person), to seek or to offer to control or influence, in any manner, the Company's and its Subsidiaries' management, board of directors or policies, or (v) make any proposal or other communication designed to, or which could be reasonably expected to, compel the Company to make a public announcement thereof in respect of any matter referred to in this Section 2.1.

2.2 Exceptions. Notwithstanding anything to the contrary set forth in Section 2.1, nothing in Section 2.1 will limit or affect or be deemed to apply to a Purchaser Designee's actions taken in connection with such Purchaser Designee's service as a director of the Company, and nothing herein will prohibit Purchaser, Appaloosa or any of their respective Affiliates from:

(a) acquiring the shares of Series A Preferred and Series B Preferred pursuant to the Investment Agreement and the Chapter 11 Plan, and any Common Stock received upon conversion thereof (or any dividends or distributions received thereon);

(b) acquiring beneficial ownership of any Voting Securities, unless following such acquisition Purchaser, Appaloosa and their respective Affiliates would beneficially own more than 30% of the Voting Securities issued and outstanding at such time;

(c) taking any action with the approval of a majority of the members of the Board; or

(d) in the event a majority of the members of the Board who are not Purchaser Designees approves a transaction described in Section 2.1(a) or (b) above, (i) voting to approve such transaction, subject to the restrictions contained in Section 4.3, and (ii) selling any securities of the Company owned by the Investor Group in connection with, and pursuant to the terms of, such transaction.

### III. BOARD REPRESENTATION

3.1 Series A Preferred Directors. (a) The holders of the Series A Preferred have the director election rights set forth in Section 6(b) and (c) of the Articles for the time periods and to the extent set forth therein.

(b) Beginning with the Company's first annual meeting of shareholders to elect directors following the date hereof (the "Director Designation Commencement Date"), the Company will ensure that Purchaser may designate nominees for each of the three directors to be elected by the Series A Preferred pursuant to Section 6(b)(i) of the Articles, including following the removal of any such director. In case of any vacancy (other than by removal) in the office of a Purchaser Designee, the vacancy will be filled with a designee of Purchaser by the remaining Purchaser Designees.

(c) From and after the Director Designation Termination Date, Purchaser will cause any Purchaser Designees to resign promptly after the Company so requests.

(d) Upon the election of the initial Board, the Board shall cause to be established a Nominating and Corporate Governance Committee of the Board (the "Nominating and Corporate Governance Committee"). Following the initial election of the Executive Chairman and the Chief Executive Officer (each of whom shall be reasonably acceptable to Appaloosa), the Executive Chairman and Chief Executive Officer shall be nominated for election to the Board by the Nominating and Corporate Governance Committee. Such nominee shall be elected to the Board by the holders of the Common Stock and the Preferred Stock, voting as a class. The Executive Chairman of the Board shall be selected as described in Section 3.1(f) below.

(e) After the initial selection of the Series A Directors, until the Director Designation Termination Date, (a) holders of the Series A Preferred shall continue to directly elect (including removal and replacement) the Series A Directors and (b) the number of directors on the Board may not be increased. The rights of holders of Series A Preferred described in this Section 3.1(e) are referred to as "Series A Board Rights".

Upon the Director Designation Termination Date, the Series A Directors shall serve out their remaining term and thereafter be treated as ordinary Directors.

(f) The initial Executive Chairman shall be selected by a selection committee (the "Selection Committee") comprised of one representative of Appaloosa, one representative of the Creditors Committee and one representative of the Standby Purchasers (other than Appaloosa). The Executive Chairman shall be approved by a majority vote of the Selection Committee (such majority to include the Appaloosa representative). Any successor Executive Chairman shall be selected by the Nominating and Governance Committee, subject (but only until the Director Designation Termination Date) to the approval of Appaloosa. Upon approval, such candidate shall be recommended by the Nominating and Corporate Governance Committee to the Board for appointment as the Executive Chairman and nomination to the Board. Holders of the Series A Preferred will vote on the candidate's election to the Board on an as-converted basis together with holders of Common Stock. The Executive Chairman shall be a full-time employee of the Company with his or her principal office in the Company's world headquarters in Toledo, Ohio and shall devote substantially all of his or her business activity to the business affairs of the Company. The Executive Chairman shall cause the Company to and the Company shall be obligated to meaningfully consult with the representatives of holders of the Series A Preferred Shares with respect to the annual budget and material modifications thereto prior to the time it is submitted to the Board for approval.

(g) Purchaser shall have the non-exclusive right to propose, pursuant to written notice to the Board, the termination of (i) the Executive Chairman, (ii) the Chief Executive Officer and/or (iii) the Chief Financial Officer, in each case, subject to a vote of the Board. If Purchaser proposes such termination of the Executive Chairman, the Chief Executive Officer or the Chief Financial Officer, the Board shall convene and vote on such proposal within ten (10) days of the Board's receipt of written notice regarding such proposed termination; provided, that the then current Executive Chairman and the then current Chief Executive Officer of the Corporation shall not be entitled to vote on any proposal made pursuant to this provision for the termination of the Executive Chairman, the Chief Executive Officer or the Chief Financial Officer of the Corporation.

3.2 Effectiveness. This Article III (other than Section 3.1(f)) will terminate without further action on the Director Designation Termination Date.

#### IV. CERTAIN VOTING RIGHTS

4.1 Purchaser Approval Rights. The Company may not, and may not permit its Subsidiaries to, take any of the following actions without Purchaser's prior written consent; provided, however, that if such written consent is withheld by Purchaser, the Company may, solely with respect to an action described below in Sections 4.1(a), 4.1(c), 4.1(d)(ii) (if such action would not adversely impact Purchaser's rights or its investment in the Company), 4.1(e), 4.1(f) or 4.1(g), notwithstanding the withholding of such written consent, take any such actions that are first approved by the affirmative vote or consent of holders of not less than two-thirds of the Voting Securities

that are not held by Appaloosa, Purchaser or any of their respective Affiliates:

(a) enter into any transaction with any director or officer of the Company, or any holder of 10% or more of the Voting Securities outstanding at such time, except for (i) compensation or incentive arrangements with officers or directors that have been approved by the Board or Compensation Committee thereof and (ii) transactions that are not material to the Company;

(b) issue any security that ranks senior to or on parity with the Series A Preferred (or the Series B Preferred, if any shares of Series B Preferred are outstanding and owned by Purchaser) as to dividend rights and rights on liquidation, winding up and dissolution of the Company (including without limitation additional shares of Series A Preferred or Series B Preferred), or issue any options, rights, warrants or securities convertible into or exercisable or exchangeable for such shares; provided, however, that the written consent of Purchaser will not be necessary for the Company to authorize or issue any Indebtedness incurred to refinance, extend, renew, refund, repay, prepay, redeem, defease, exchange or replace (collectively, "Refinancings") any Indebtedness of the Company existing at the applicable time, as long as such Refinancings are (i) on prevailing market terms with respect to the economics thereof in all material respects and (ii) are on substantially the same terms (including without limitation with respect to obligors, tenor, security and ranking) as the Indebtedness to which such Refinancings relate with respect to other terms;

(c) issue or authorize the issuance of any capital stock of the Company (or rights to acquire any capital stock of the Company) for a price per share that is less than (A) if such issuance is for Common Stock or options, rights, warrants or securities of the Company which are convertible into or exercisable or exchangeable for Common Stock of the Company ("Common Stock Derivatives"), the Current Market Price for the Common Stock at the time of such issuance, or (B) if such issuance is for capital stock of the Company or rights to acquire capital stock of the Company other than Common Stock or Common Stock Derivatives, the Fair Market Value of such capital stock or rights to acquire such capital;

(d) (i) amend, alter or repeal any amendment to the Company's By-Laws that materially changes the rights of any member of the Investor Group or any Qualified Purchaser Transferee (in such Person's capacity as a holder of Series A Preferred) or the Company's shareholders generally or (ii) authorize, adopt or approve an amendment to, or repeal any provision of, the Charter or the Articles;

(e) take any action that results in the purchase or redemption by the Company or any subsidiary of the Company of any equity securities of the Company involving aggregate cash payments by the Company in excess of \$10 million during any 12-month period after the date hereof; provided, however, that the written consent of Purchaser will not be required for (i) the repurchase of any

equity securities from any individual whose employment with the Company is terminated as long as such repurchase is approved by the Board (by majority vote of all members) or (ii) cashless exercise of, or surrender of shares for payment of withholding tax in connection with, any option, right, warrant or other security that is convertible into or exchangeable for Common Stock in accordance with the terms of its issuance;

(f) effect a Company Sale;

(g) voluntarily or involuntarily liquidate, wind up or dissolve; or

(h) except pursuant to Section 3(a) of the Articles, pay or declare any dividend in cash on any shares of capital stock that ranks junior to or on parity with the Series A Preferred, including Series B Preferred.

4.2 Termination of Purchaser Approval Rights. The provisions of Sections 4.1(a) - (h) will terminate upon the earlier to occur of the (a) third anniversary of the date hereof and (b) the date on which Purchaser no longer owns shares of Series A Preferred having an aggregate Series A Liquidation Preference of at least \$125 million.

4.3 Certain Limitations. Without limiting any other provision hereof, Purchaser(5) will, and will cause each other member of the Investor Group to, at any meeting of holders of Voting Securities, however such meeting is called and regardless of whether such meeting is a special or annual meeting of shareholders of the Company, or at any adjournment thereof, or in connection with any written consent of shareholders of the Company, vote, or cause to be voted, the Investor Group's Voting Securities in excess of 40% of the issued and outstanding Voting Securities (the "Voting Threshold") in the same proportion that the Company's other shareholders vote their Voting Securities with respect to any proposal submitted to the Company's shareholders for a vote, so that, as a result, the percentage of the Investor Group's Voting Securities in excess of the Voting Threshold that are voted in favor of such proposal will equal the percentage of the outstanding Voting Securities held by all other Company shareholders voted in favor of such proposal, and the percentage of the Investor Group's Voting Securities in excess of the Voting Threshold that are voted against such proposal will equal the percentage of the outstanding Voting Securities held by all other Company shareholders voted against such proposal.

4.4 Certain Transactions. Except as expressly contemplated by this Agreement, the Investment Agreement or the documents referred to herein or therein, without the approval of a majority of the members of the Board who are not Purchaser Designees, none of Appaloosa, Purchaser or any of their respective Affiliates may enter into any transaction or agreement with the Company or any Subsidiary of the Company or any amendment or waiver of this Agreement.

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(5) Note: see footnote 2.



## V. MISCELLANEOUS

5.1 Notice of Certain Matters. Without limiting Section 8 of the Articles, if Purchaser at any time sells, assigns, transfers, pledges, hypothecates or otherwise encumbers or disposes of in any way all or any part of an interest in any shares of Series A Preferred (a "Transfer"), then Purchaser will, as promptly as practicable but in any event within five business days of such Transfer, provide notice to the Company in accordance with Section 5.3 stating (a) the date on which such Transfer occurred and (b) the name and contact information of such Transferee.

5.2 Specific Performance. The parties agree that any breach by any of them of any provision of this Agreement would irreparably injure the Company or Purchaser and Appaloosa, as the case may be, and that money damages would be an inadequate remedy therefor. Accordingly, the parties agree that the other parties will be entitled to one or more injunctions enjoining any such breach and requiring specific performance of this Agreement and consent to the entry thereof, in addition to any other remedy to which such other parties are entitled at law or in equity.

5.3 Notices. Any notice or other communication required to be given hereunder will be in writing and sent by reputable courier service (with proof of service), by hand delivery, or by email or facsimile (followed on the same day by delivery by courier service (with proof of delivery) or by hand delivery), addressed as follows:

If to the Company, to:

[New Dana Corporation]  
4500 Dorr Street  
Toledo, Ohio 43615  
Attention: General Counsel and Secretary  
Fax: (419)535-4544

with a copy to:

Jones Day  
222 East 41st Street  
New York, New York 10017  
Attention: Corinne Ball  
Email: cball@jonesday.com  
Fax: (212)755-7306

and

Attention: Marilyn W. Sonnie  
Email: mwsonnie@jonesday.com  
Fax: (212)755-7306

If to Purchaser or Appaloosa, to:

Appaloosa Management L.P.  
26 Main Street  
Chatham, NJ 07928  
Attention: James Bolin  
Email: j.bolin@amlp.com  
Fax: (973)701-7055

with a copy to:

White & Case LLP  
Wachovia Financial Center  
200 South Biscayne Boulevard  
Suite 4900  
Miami, Florida 33131-2352  
Attention: Thomas E. Lauria (tlauria@whitecase.com)  
Gerard Uzzi (guzzi@whitecase.com)  
Fax: (305) 358-5744/5766

And

White & Case LLP  
1155 Avenue of the Americas  
New York, New York 10036  
Attention: John Reiss (jreiss@whitecase.com)  
Steven Teichman (steichman@whitecase.com)  
Fax: 212-354-8113

or to such other address as any party may specify by written notice so given, and such notice will be deemed to have been delivered as of the date so emailed, telecommunicated or personally delivered.

5.4 Assignment; Binding Effect. Neither this Agreement nor any of the rights, interests or obligations hereunder will be assigned by any party hereto (whether by operation of law or otherwise) without the prior written consent of the other parties, except that Purchaser(6) may transfer any of its rights under Article III or IV to any Qualified Purchaser Transferee to which it transfers shares of Series A Preferred without violating the restrictions on transfer of the Series A Preferred set forth in Section 8 of the Articles; provided, however, that neither Purchaser nor Appaloosa will dispose of a majority of the voting power of such Qualified Purchaser Transferee in any transaction or series of transactions unless such shares of Series A Preferred have been transferred and the rights under this Agreement have been assigned back, in each

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(6) Note: see footnote 2.

case to the original transferor thereof. Subject to this Section 5.4, this Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Notwithstanding anything contained in this Agreement to the contrary, nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the parties hereto or, if applicable, any Qualified Purchaser Transferee or their respective heirs, successors, executors, administrators and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

5.5 Entire Agreement. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings among the parties with respect thereto (including the Confidentiality Agreement, dated July 21, 2007, between Appaloosa and the Company).

5.6 Amendment. Subject to applicable law, this Agreement may only be amended by an instrument in writing signed by the Company and Appaloosa (who will have the authority to bind Purchaser and all other members of the Investor Group).

5.7 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York, without regard to its conflict of laws principles.

5.8 Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered will be an original, but all such counterparts will together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof each signed by less than all, but together signed by all of the parties hereto. A facsimile copy of a signature page will be deemed to be an original signature page.

5.9 Headings. Headings of the Articles and Sections of this Agreement are for convenience of the parties only, and will be given no substantive or interpretive effect whatsoever.

5.10 Waivers. Except as provided in this Agreement, no action taken pursuant to this Agreement, including without limitation any investigation by or on behalf of any party, will be deemed to constitute a waiver by the party taking such action of compliance with any of the covenants or agreements contained in this Agreement. The waiver by any party hereto of a breach of any provision hereunder will not operate or be construed as a waiver of any prior or subsequent breach of the same or any other provision hereunder. Any party hereto may (a) extend the time for the performance of any of the obligations or other acts of the other parties hereto and (b) waive compliance with any of the agreements or conditions contained herein. Any such extension or waiver will be valid only if set forth in an instrument in writing signed by the party or parties to be bound thereby.

5.11 Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to

the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision will be interpreted to be only so broad as is enforceable.

5.12 Calculation of Beneficial Ownership. Any provision in this Agreement that refers to a percentage of Common Stock or Voting Securities will be calculated based on the aggregate number of issued and outstanding securities at the time of such calculation (on an as-converted basis, in the case of Voting Securities), but will not include any such securities issuable upon any options or warrants that are exercisable for such securities.

5.13 Jurisdiction; Consent to Service of Process. (a) Each party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York located in New York, New York or the United States District for the Southern District of New York (as applicable, a "New York Court"), and any appellate court from any such court, in any action, suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, or for recognition or enforcement of any judgment resulting from any such suit, action or proceeding, and each party hereby irrevocably and unconditionally agrees that all claims in respect of any such suit, action or proceeding may be heard and determined in the New York Court.

(b) It will be a condition precedent to each party's right to bring any such suit, action or proceeding that such suit, action or proceeding, in the first instance, be brought in a New York Court, and if each such court refuses to accept jurisdiction with respect thereto, such suit, action or proceeding may be brought in any other court with jurisdiction.

(c) No party may move to (i) transfer any such suit, action or proceeding from a New York Court to another jurisdiction, (ii) consolidate any such suit, action or proceeding brought in a New York Court with a suit, action or proceeding in another jurisdiction, or (iii) dismiss any such suit, action or proceeding brought in a New York Court for the purpose of bringing the same in another jurisdiction.

(d) Each party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, (i) any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in a New York Court, (ii) the defense of an inconvenient forum to the maintenance of such suit, action or proceeding in any such court, and (iii) the right to object, with respect to such suit, action or proceeding, that such court does not have jurisdiction over such party. Each party irrevocably consents to service of process in any manner permitted by law.

5.14 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION,

PROCEEDING, CLAIM OR COUNTERCLAIM, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT.

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

5.16 Confidentiality. (a) The Investor Group will maintain, and Purchaser will cause each member of the Investor Group and each of its and their respective Representatives to maintain, the confidentiality of all material non-public information obtained by any member of the Investor Group from the Company or any of its Subsidiaries or its or their respective Representatives (a "Company Person"), and not to use such information for any purpose other than (i) the evaluation and protection of the investment by Purchaser in the Company, (ii) the exercise by Purchaser of any of its rights under this Agreement, and (iii) the exercise by the Purchaser Designees of their fiduciary duties as members of the Board.

(b) Notwithstanding the foregoing, the confidentiality obligations of Section 5.16(a) will not apply to information obtained other than in violation of this Agreement:

(i) which any member of the Investor Group or any of its Representatives is required to disclose by judicial or administrative process, or by other requirements of applicable law or regulation or any governmental authority; provided, however, that, where and to the extent practicable, such disclosing party (A) gives the Company reasonable notice of any such requirement and, to the extent protective measures consistent with such requirement are available, the opportunity to seek appropriate protective measures and (B) reasonably cooperates with the Company (at the Company's expense) in attempting to obtain such protective measures;

(ii) which becomes available to the public other than as a result of a breach of Section 5.16(a); or

(iii) which has been provided to a member of the Investor Group or any of its Representatives by a source other than a Company Person, unless either Purchaser or such member of the Investor Group knows that the source of such information was bound by a confidentiality agreement with, or other contractual, legal or fiduciary objections of confidentiality to, the Company or any other Person with respect to such information.

5.17 Acknowledgment of Securities Laws. Purchaser hereby acknowledges that it is aware, and that it will advise the other members of the Investor Group and its and their respective Representatives who are informed as to the material non-public information that is the subject of Section 5.16, that the United States securities laws prohibit any Person who has received from an issuer material, non-public information from purchasing or selling securities of such issuer or from communication of such information to any other Person under circumstances in which it is reasonably foreseeable that such Person is likely to purchase or sell such securities.

5.18 Premiums Upon a Change of Control. None of Appaloosa, Purchaser(7) or any of their respective Affiliates may receive, or be entitled to receive, any premium, payment or fee from any Person (a "Payor") in connection with voting in favor of, or transferring any Voting Securities in connection with, a transaction that results in (either alone or in connection with a series of related transactions) a Company Sale (as defined in the Articles), unless such amount is shared with, or payable by such Payor to, all holders of the same class and/or series of capital stock of the Company in respect of which such amount is paid to Appaloosa, Purchaser and their respective Affiliates, on a pro rata basis; provided, that this restriction shall not prohibit the reimbursement of expenses incurred by any holder of Series A Preferred or Series B Preferred and shall not prohibit the payment of fees by the Company to any holder of Series A Preferred or Series B Preferred if the Company has engaged such holder or its Affiliates as an advisor or consultant in connection with any transaction.

[Signature page follows]

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(7) Note: see footnote 2.

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

[NEW DANA CORPORATION]

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

APPALOOSA MANAGEMENT L.P.

By: \_\_\_\_\_  
Name  
Title: Authorized Person

[PURCHASER]

By: \_\_\_\_\_  
Name  
Title: Authorized Person

ARTICLES

[To be attached]



FORM OF ASSUMPTION AGREEMENT

The undersigned hereby agrees, effective as of the date hereof, to become a party to, and be bound by the provisions of, the Shareholders Agreement (the "Agreement") dated as of \_\_\_\_\_, 200\_ by and among [New Dana Corporation], Appaloosa Management L.P. and [Purchaser], and for all purposes of the Agreement, the undersigned will be a "Qualified Purchaser Transferee" (as defined in the Agreement). Without limiting the foregoing, the undersigned acknowledges that the shares of Series A Preferred (as defined in the Agreement) transferred to the undersigned in connection herewith are subject to the transfer restrictions set forth in the Articles (as defined in the Agreement). The address and facsimile number to which notices may be sent to the undersigned is as follows:

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Facsimile No. -----

[Name]

By: -----

Name  
Title:

[NEW DANA CORPORATION]

ARTICLES OF SERIAL DESIGNATION OF  
4.0% SERIES A CONVERTIBLE PREFERRED STOCK AND  
4.0% SERIES B CONVERTIBLE PREFERRED STOCK(1)

The terms of the authorized 4.0% Series A Convertible Preferred Stock, par value \$0.01 per share (the "Series A Preferred"), and 4.0% Series B Convertible Preferred Stock, par value \$0.01 per share (the "Series B Preferred"), of [New Dana Corporation], a corporation organized and existing under the State of [\_\_\_\_\_] (the "Corporation"), are as set forth below:

1. Designation. There is hereby created out of the authorized and unissued shares of Preferred Stock of the Corporation two new series of Preferred Stock designated as the Series A Preferred and the Series B Preferred. The number of shares constituting the Series A Preferred will be 2,500,000, and the number of shares constituting the Series B Preferred will be 5,000,000.

2. Ranking. The Series A Preferred and Series B Preferred will, with respect to payment of dividends and to distributions in the event of the Corporation's voluntary or involuntary liquidation, winding up or dissolution (a "Liquidation"), rank (i) senior to the Corporation's Series A Junior Participating Preferred Stock and all classes of Common Stock and to each other class of Capital Stock of the Corporation or series of Preferred Stock of the Corporation established hereafter by the Board, the terms of which do not expressly provide that such class or series ranks senior to, or on a parity with, the Series A Preferred and Series B Preferred as to dividend rights and rights on a Liquidation (collectively referred to as "Junior Stock"), (ii) on a parity with each class of Capital Stock of the Corporation or series of Preferred Stock of the Corporation established hereafter by the Board, the terms of which expressly provide that such class or series will rank on a parity with the Series A Preferred and Series B Preferred as to dividend rights and rights on a Liquidation (collectively referred to as "Parity Stock"), and (iii) junior to each class of Capital Stock of the Corporation or series of Preferred Stock of the Corporation established hereafter by the Board, the terms of which expressly provide that such class or series will rank senior to the Series A Preferred or Series B Preferred as to dividend rights and rights on a Liquidation. For the avoidance of doubt, the Series A Preferred and Series B Preferred will rank on a parity with each other as to dividend rights and rights on a Liquidation.

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(1) To be conformed, as necessary, to reflect the name and jurisdiction of the reorganized company. The Charter and By-Laws will also be amended to reflect changes in par value, to authorize additional preferred stock to permit the issuance of the Series A Preferred and Series B Preferred, to permit preemptive rights, to increase the number of directors and to allow a special meeting of shareholders to be held at the request of shareholders owning not less than 20% of the issued and outstanding voting shares, including taking into account the preferred shares on an as converted basis.

3. Dividends. (a) So long as any shares of Series A Preferred or Series B Preferred are outstanding, the holders of such shares will be entitled to receive out of the Corporation's assets legally available therefor, when, as and if declared by the Board, preferential dividends at a rate per annum equal to 4.0% (the "Dividend Rate") on the then-effective Liquidation Preference per share for such share hereunder, payable in cash. Subject to Section 5(f), such dividends with respect to each share of Series A Preferred and Series B Preferred, as applicable, will be fully cumulative and will begin to accrue from the Issue Date of such share, whether or not such dividends are authorized or declared by the Board and whether or not in any Dividend Period or Dividend Periods there are assets of the Corporation legally available for the payment of such dividends.

(b) Dividends on the shares of Series A Preferred and Series B Preferred will be payable quarterly in equal amounts (subject to Section 3(d) hereunder with respect to shorter periods, including the first such period with respect to newly issued shares of Series A Preferred or Series B Preferred) in arrears on each Dividend Payment Date, in preference to and in priority over dividends on any Junior Stock, commencing on the first Dividend Payment Date after the Issue Date of such share of Series A Preferred or Series B Preferred, as applicable. Subject to Section 3(f), such dividends will be paid to the holders of record of the shares of Series A Preferred and Series B Preferred, as applicable, as they appear at the close of business on the applicable Dividend Record Date. The amount payable as dividends on such Dividend Payment Date will be payable in cash, unless such payment is prohibited under statutory law.

(c) All dividends paid with respect to shares of Series A Preferred and Series B Preferred pursuant to Section 3(a) will be paid pro rata to the holders thereof and will first be credited against the dividends accrued with respect to the earliest Dividend Period for which dividends have not been paid. Dividend payments will be aggregated per holder and will be made to the nearest cent (with \$0.005 being rounded upward).

(d) The amount of dividends payable per share of Series A Preferred and Series B Preferred for each full Dividend Period will be computed by dividing the annual dividend amount for such share by four. The amount of dividends payable for the initial Dividend Period, or any other period shorter or longer than a full Dividend Period, on a share of Series A Preferred or Series B Preferred, as applicable, will be computed on the basis of twelve 30-day months and a 360-day year. No interest will accrue or be payable in respect of unpaid dividends.

(e) Any reference to "distribution" in this Section 3 will not be deemed to include any distribution made in connection with any Liquidation.

(f) Notwithstanding any other provision hereof, in no event will a dividend payable under Section 3(a) be paid in respect of any share of Series A Preferred or Series B Preferred that has been converted prior to the applicable Dividend Payment Date pursuant to Section 5(b) or (c) if such dividend was included in the calculation of clause (i) of Section 5(b) or 5(c), as applicable.

4. Liquidation Rights. (a) In the event of any Liquidation, the holders of shares of Series A Preferred and Series B Preferred then outstanding will be entitled to be paid out of the assets of the Corporation available for distribution to its shareholders, whether such assets are capital, surplus, earnings or otherwise, before any payment or declaration and setting apart for payment of any amount will be made in respect of any shares of Junior Stock, an amount with respect to each share of Series A Preferred and Series B Preferred outstanding equal to the then-effective Liquidation Preference per share for such shares, plus all declared or accrued and unpaid dividends in respect thereof to the date of final distribution. If upon any Liquidation, the assets to be distributed among the holders of Series A Preferred and Series B Preferred are insufficient to permit the payment to such shareholders of the full preferential amounts thereof, then the entire assets of the Corporation to be distributed will be distributed ratably among the holders of Series A Preferred, Series B Preferred and Parity Stock, based on the full preferential amounts for the number of shares of Series A Preferred, Series B Preferred and Parity Stock held by each holder.

(b) After payment to the holders of Series A Preferred and Series B Preferred of the amounts set forth in Section 4(a) hereof, such holders will not be entitled to any further participation in any distribution of the Corporation's assets and the entire remaining assets and funds of the Corporation legally available for distribution, if any, will be distributed among the holders of any Capital Stock entitled to a preference over the Common Stock in accordance with the terms thereof and, thereafter, to the holders of Common Stock.

(c) No funds are required to be set aside to protect the Liquidation Preference of the shares of Series A Preferred and Series B Preferred, although the applicable Liquidation Preference will be substantially in excess of the par value of the shares of Series A Preferred and Series B Preferred.

(d) For purposes of this Section 4, neither a merger, consolidation, business combination, reorganization or recapitalization of the Corporation with or into any corporation, nor a sale, lease or other disposition of all or substantially all of the assets of the Corporation and its subsidiaries (on a consolidated basis) will be deemed a Liquidation.

5. Conversion. The Series A Preferred and Series B Preferred are convertible into shares of Common Stock as follows:

(a) Conversion Price. The initial Conversion Price of each share of Series A Preferred and Series B Preferred will be determined as set forth in the definition of "Conversion Price" in Section 13 and the defined terms used therein. In addition to Common Stock, holders will receive, upon conversion, rights under the Corporation's Rights Agreement, dated as of April 25, 1996, unless, prior to conversion, the rights have expired, terminated or been redeemed or unless the rights have separated from the Common Stock. The Conversion Price will be subject to adjustment as provided in Section 5(h).

(b) Optional Conversion Right. At any time after the six-month anniversary of the Original Issue Date, but subject to Section 8, at the option of the holder thereof, any share of Series A Preferred or Series B Preferred may be converted into such number of fully paid and non-assessable shares of Common Stock that is obtained by dividing (i) the then-effective Liquidation Preference plus all accrued but unpaid dividends under Section 3(a) for such share by (ii) the Conversion Price (as in effect on the Conversion Date).

(c) Mandatory Conversion. If the Closing Sale Price of the Common Stock has exceeded an amount equal to 1.4 multiplied by the Distributable Market Equity Value Per Share (such product, rounded up to the nearest cent, and subject to equitable adjustment in the event of any stock dividends, splits, reverse splits, combinations, reclassifications and similar actions, the "Mandatory Conversion Trigger Price"), for at least 20 consecutive Trading Days commencing from or after the fifth anniversary of the Original Issue Date, then the Corporation may, at its option at any time after any such 20 consecutive Trading Day period, cause all but not less than all of the outstanding shares of Series A Preferred and Series B Preferred to convert into such number of fully paid and non-assessable shares of Common Stock that is obtained by dividing (i) the then-effective Liquidation Preference of such shares plus any accrued but unpaid dividends under Section 3(a) for such shares by (ii) the Conversion Price (as in effect on the Conversion Date).

(d) Mechanics for Exercise of Conversion Rights. In order to exercise the optional conversion right provided for in Section 5(b), the holder of each share of Series A Preferred or Series B Preferred to be converted will (i) surrender the certificate representing such share, duly endorsed or assigned to the Corporation or in blank, to the office of the Transfer Agent or (ii) deliver written notice to the Corporation or the Transfer Agent that such certificate has been lost, stolen or destroyed and execute an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection with such certificates (the actions taken pursuant to clause (i) or (ii), a "Surrender"), accompanied, in either case, by written notice to the Corporation that the holder thereof elects to convert all or a specified whole number of shares of Series A Preferred or Series B Preferred, as applicable. Unless the shares of Common Stock issuable on conversion are to be issued in the same name as the name in which such shares of Series A Preferred or Series B Preferred, as applicable, are registered, each share Surrendered for conversion must be accompanied by instruments of transfer, in form reasonably satisfactory to the Corporation, duly executed by the holder or such holder's duly authorized attorney and an amount sufficient to pay any transfer or similar tax (or evidence reasonably satisfactory to the Corporation demonstrating that such taxes have been paid). In the event the Corporation elects to exercise the mandatory conversion right provided for in Section 5(c), the Corporation will provide written notice of such exercise to the Transfer Agent and each holder of Series A Preferred and Series B Preferred specifying the date on which such conversion will be effective (the "Mandatory Conversion Notice"), which date must be no less than 90 days from the date on which such written notice is sent, and thereafter each holder of shares of Series A Preferred and Series B Preferred will Surrender its shares to the Corporation.

(e) Delivery of Certificates and Conversion Date. As promptly as practicable, but in any event within five Business Days following the Conversion Date (in the case of a conversion pursuant to Section 5(b)) or within five Business Days following the date on which a holder of shares to be converted Surrenders such shares to the Corporation (in the case of a conversion pursuant to Section 5(c)), the Corporation will issue and deliver to, or upon the written order of, the holder a certificate or certificates for the number of full shares of Common Stock issuable upon the conversion of such holder's applicable shares of Series A Preferred or Series B Preferred in accordance with the provisions of this Section 5, and any fractional interest in respect of a share of Common Stock arising upon such conversion will be settled as provided in Section 5(g) hereof. In the event of a conversion pursuant to Section 5(b), upon conversion of only a portion of the number of shares covered by a certificate representing shares of Series A Preferred or Series B Preferred Surrendered for conversion, the Corporation will also issue and deliver to, or upon the written order of, the holder of the certificate so Surrendered for conversion, at the expense of the Corporation, a new certificate covering the number of shares of Series A Preferred or Series B Preferred, as applicable, representing the unconverted portion of the certificate so Surrendered, which new certificate will entitle the holder thereof to the rights of the shares of Series A Preferred or Series B Preferred represented thereby to the same extent as if the certificate theretofore covering such unconverted shares had not been Surrendered for conversion. Each conversion will be deemed to have been effected as of the close of business on the date on which (i) in the case of an optional conversion pursuant to Section 5(b), the certificates for Series A Preferred or Series B Preferred are Surrendered and such notice and payment of all required transfer taxes and dividends received by the Corporation as aforesaid, or (ii) in the case of a mandatory conversion pursuant to Section 5(c), the date specified in the Mandatory Conversion Notice (the "Conversion Date"). On the Conversion Date, all rights with respect to the shares of Series A Preferred or Series B Preferred so converted, including the rights, if any, to receive notices, will terminate except only the rights of holders thereof to receive the physical certificates contemplated by this Section 5(e) and cash in lieu of any fractional share as provided in Section 5(g), and the Person entitled to receive the shares of Common Stock will be treated for all purposes as having become the record holder of such shares (even if certificates for such shares of Common Stock have not yet been issued).

(f) If conversion rights are exercised with respect to shares of Series A Preferred or Series B Preferred under Section 5(b) or (c), such shares will cease to accrue dividends pursuant to Section 3(a) as of the end of day immediately preceding the Conversion Date.

(g) No Fractional Shares. No fractional shares or scrip representing fractions of shares of Common Stock will be issued upon conversion of shares of Series A Preferred or Series B Preferred. Instead of any fractional interest in a share of Common Stock that would otherwise be deliverable upon the conversion of such shares, the Corporation will pay to the holder of such shares an amount in cash based upon the Current Market Price of Common Stock on the Trading Day immediately preceding the Conversion Date. If more than one share is Surrendered for conversion pursuant to this Section 5 at one time by the same holder, the number of full shares of Common Stock

issuable upon conversion thereof will be computed on the basis of the aggregate number of shares so Surrendered.

(h) Conversion Price Adjustments. The Conversion Price is subject to adjustment from time to time as follows:

(i) Stock Splits and Combinations. If, after the Original Issue Date, the Corporation (A) subdivides or splits its outstanding shares of Common Stock into a greater number of shares, (B) combines or reclassifies its outstanding shares of Common Stock into a smaller number of shares, or (C) issues any Capital Stock of the Corporation by reclassification of its Common Stock, then the Conversion Price in effect immediately prior to such event will be adjusted so that the holder of any share of Series A Preferred or Series B Preferred thereafter Surrendered for conversion will be entitled to receive the number of such securities that such holder would have owned or have been entitled to receive after the occurrence of any of the events described above as if such share had been converted immediately prior to the effective date of such subdivision, combination or reclassification or the record date therefor, whichever is earlier. An adjustment made pursuant to this Section 5(h)(i) will become effective at the close of business on the effective date of such corporate action. Such adjustment will be made successively wherever any event listed above occurs.

(ii) Dividends/Distributions of Common Stock. If, after the Original Issue Date, the Corporation fixes a record date for or pays a dividend or makes a distribution in shares of Common Stock on any class of Capital Stock of the Corporation, other than dividends or distributions of shares of Common Stock or other securities with respect to which adjustments are provided in Section 5(h)(i), then the Conversion Price in effect at the close of business on the record date therefor will be adjusted to equal the price determined by multiplying (A) such Conversion Price by (B) a fraction, the numerator of which will be the number of shares of Common Stock Outstanding at the close of business on the record date and the denominator of which will be the sum of (1) the number of shares of Common Stock Outstanding at the close of business on the record date and (2) the number of shares of Common Stock constituting such dividend or distribution. An adjustment made pursuant to this Section 5(h)(ii) will become effective immediately after the close of business on such record date (except as provided in Section 5(h)(iv)(F) hereof). Such adjustment will be made successively wherever any event listed above occurs.

(iii) Certain Issuances of Common Stock and Common Stock Derivatives. If, after the Original Issue Date, the Corporation issues or sells shares of Common Stock or any Common Stock Derivative without consideration or at a consideration per share of Common Stock (or having a conversion, exercise or exchange price per share of Common Stock, in the case of a Common Stock Derivative), calculated by including the aggregate proceeds to the Corporation upon issuance and any additional consideration payable to the Corporation upon and in respect of any such conversion, exchange or exercise, that is less than the Conversion Price in effect at the close of business on the day immediately preceding such issuance, then the maximum number of shares of Common Stock issuable upon conversion,

exchange or exercise of such Common Stock Derivatives, as applicable, will be deemed to have been issued as of such issuance and such Conversion Price will be decreased, effective as of the time of such issuance, to equal the price determined by multiplying (A) such Conversion Price by (B) a fraction, the numerator of which will be the sum of (1) the number of shares of Common Stock Outstanding immediately prior to such issuance and (2) the number of shares which the aggregate proceeds to the Corporation from such issuance (including any additional consideration per share of Common Stock payable to the Corporation upon any such conversion, exchange or exercise) would purchase at such Conversion Price, and the denominator of which will be the sum of (1) the number of shares of Common Stock Outstanding immediately prior to such issuance and (2) the number of additional shares of Common Stock issued or subject to issuance upon the conversion, exchange or exercise of such Common Stock Derivatives issued. In the event that any portion of such consideration is in a form other than cash, the Fair Market Value of such noncash consideration will be used. Notwithstanding any provision hereof to the contrary, this Section 5(h)(iii) will not apply to any issuance of Common Stock in any manner described in Section 5(h)(i) and (ii). Such adjustment will be made successively wherever any event listed above occurs.

(iv) Additional Conversion Matters.

(A) Minor Adjustments and Calculations. No adjustment in the Conversion Price pursuant to any provision of this Section 5(h) will be required unless such adjustment would require a cumulative increase or decrease of at least 1% in such price; provided, however, that any adjustments that by reason of this Section 5(h)(iv)(A) are not required to be made will be carried forward and taken into account in any subsequent adjustments until made. All calculations under this Section 5(h) will be made to the nearest cent (with \$0.005 being rounded upward) or to the nearest whole share (with 0.5 of a share being rounded upward), as the case may be.

(B) Exceptions to Adjustment Provisions. The provisions of this Section 5(h) will not be applicable to (1) any issuance for which an adjustment to the Conversion Price is provided under any other subclause of this Section 5(h), (2) any issuance of shares of Common Stock upon actual exercise, exchange or conversion of any Common Stock Derivative if the Conversion Price was fully and properly adjusted at the time such securities were issued or if no such adjustment was required hereunder at the time such securities were issued, (3) the issuance of additional shares of Series A Preferred or Series B Preferred at a per share price equal to or greater than the applicable Liquidation Preference or the issuance of shares of Common Stock upon conversion of outstanding shares of Series A Preferred or Series B Preferred, (4) the issuance of Common Stock Derivatives or shares of Common Stock to employees, directors or consultants of the Corporation or its subsidiaries pursuant to management or director incentive plans or stock compensation plans as in effect on or prior to the Original Issue Date or approved by the affirmative vote of a majority of the Board after the Original Issue Date, including any employment, severance or consulting agreements, or the issuance of shares of Common Stock upon the exercise of such Common Stock Derivative, (5) the issuance of shares of Common Stock as consideration for an arm's-length acquisition of a business or assets from Third Parties



that is approved by a majority of the Corporation's shareholders in accordance with the requirements under the Charter and the Corporation's By-Laws and applicable law, or (6) the issuance of shares of Common Stock pursuant to any plan providing for the reinvestment of dividends or interest payable on securities of the Corporation and the investment of additional optional amounts in Common Stock under such plan.

(C) Board Adjustment to Conversion Price. Anything in this Section 5(h) to the contrary notwithstanding, the Corporation may, to the extent permitted by law, make such reductions in the Conversion Price, in addition to those required by this Section 5(h), as the Board in its good faith discretion determines to be necessary in order that any subdivision of shares, reclassification or combination of shares, distribution of Common Stock Derivatives, or a distribution of other assets (other than cash dividends) hereafter made by the Corporation to its shareholders will not be taxable. Whenever the Conversion Price is so decreased, the Corporation will mail to holders of record of shares of Series A Preferred and Series B Preferred a notice of the decrease at least 5 days before the date the decreased Conversion Price takes effect, and such notice will state the decreased Conversion Price and the period it will be in effect.

(D) Other Capital Stock. In the event that, at any time as a result of the provisions of this Section 5(h), a holder of shares of Series A Preferred or Series B Preferred becomes entitled to receive any shares of Capital Stock of the Corporation other than Common Stock upon subsequent conversion, the number of such other shares so receivable upon conversion will thereafter be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions contained herein.

(E) Effect of Adjustment. In the event that, at any time after the Original Issue Date, any adjustment is made to the Conversion Price pursuant to this Section 5, such adjustment to the Conversion Price will be applicable with respect to all then outstanding shares of Series A Preferred and Series B Preferred and all shares of Series A Preferred or Series B Preferred issued after the date of the event causing such adjustment to the Conversion Price.

(F) Adjustment Deferral. In any case in which Section 5(h) provides that an adjustment becomes effective from and after a record date for an event, the Corporation may defer until the occurrence of such event (1) issuing to the holder of any shares of Series A Preferred or Series B Preferred converted after such record date and before the occurrence of such event the additional shares of Common Stock issuable upon such conversion by reason of the adjustment required by such event over and above the shares of Common Stock issuable upon such conversion before giving effect to such adjustment and (2) paying to such holder any amount of cash in lieu of any fraction pursuant to Section 5(g).

(G) Other Limits on Adjustment. There will be no adjustment of the Conversion Price in the event of the issuance of any shares of the Corporation in a

reorganization, acquisition or other similar transaction, except as specifically set forth in this Section 5.

(H) Abandoned Events and Expired Common Stock Derivatives. If the Corporation takes a record of the holders of its Common Stock for the purpose of entitling them to receive a dividend or other distribution, and thereafter and before the distribution to shareholders legally abandons its plan to pay or deliver such dividend or distribution, then thereafter any adjustment in the Conversion Price granted by this Section 5(h) will, as and if necessary, be readjusted at the time of such abandonment to the Conversion Price that would have been in effect if no adjustment had been made (taking proper account of all other conversion adjustments under this Section 5(h)); provided, however, that such readjustment will not affect the Conversion Price of any shares of Series A Preferred or Series B Preferred that have been converted prior to such abandonment. If any Common Stock Derivatives referred to in this Section 5(h) in respect of which an adjustment has been made expire unexercised in whole or in part after the same have been distributed or issued by the Corporation, the Conversion Price will be readjusted at the time of such expiration to the Conversion Price that would have been in effect if no adjustment had been made on account of the distribution or issuance of such expired Common Stock Derivatives (taking proper account of all other conversion adjustments under this Section 5(h)); provided, however, that such readjustment will not affect the Conversion Price of any shares of Series A Preferred or Series B Preferred that have been converted prior to such expiration.

(I) Participation in Dividends. Notwithstanding anything herein to the contrary, no adjustment to the Conversion Price will be made under Section 5(h)(ii) to the extent that the holders of Series A Preferred or Series B Preferred, as applicable, participate in any such distribution on an as-converted basis based on the number of shares of Common Stock into which such shares are then convertible.

(J) Pre-Conversion Price Determination Time Events. No adjustment will be made to the Conversion Price for events occurring prior to the determination of the Conversion Price in accordance with Section 5(a) (the "Conversion Price Determination Time"), whether or not they would otherwise result in an adjustment to the Conversion Price pursuant to this Section 5(h); provided, however, that the Corporation will not take any actions that, but for this Section 5(h)(iv)(J), would have resulted in an adjustment of the Conversion Price prior to the Conversion Price Determination Time pursuant to this Section 5(h) without the written consent of the Required Holders.

(i) Fundamental Changes. In the event that any transaction or event (including, without limitation, any merger, consolidation, sale of assets, tender or exchange offer, reclassification, compulsory share exchange or liquidation) occurs in which all or substantially all of the outstanding Common Stock is converted into or exchanged for stock, other securities, cash or assets (each, a "Fundamental Change"), the holder of each share of Series A Preferred and each share of Series B Preferred outstanding immediately prior to the occurrence of such Fundamental Change will have the right upon any subsequent conversion to receive (but only out of legally available

funds, to the extent required by applicable law) the kind and amount of stock, other securities, cash and assets that such holder would have received if such share had been converted immediately prior thereto (assuming such holder failed to exercise his rights of election, if any, as to the kind or amount of securities, cash or other property receivable upon such Fundamental Change). Such adjustment will be made successively whenever any event listed above occurs. No adjustment will be made pursuant to Section 5(i) in respect of any Fundamental Event as to which an adjustment to the Conversion Price was made pursuant to Section 5(h).

(j) Notice of Certain Events. If, subject to the limitations set forth in Section 3 hereof:

(i) the Corporation declares (A) any dividend (or any other distribution) on Common Stock, other than a dividend payable in shares of Common Stock, or (B) any extraordinary dividend or distribution on any Junior Stock (excluding any regularly scheduled dividends paid in accordance with the terms thereof);

(ii) there is any recapitalization or reclassification of the Common Stock (other than an event to which Section 5(h) hereof applies) or any consolidation or merger to which the Corporation is a party and for which approval of any shareholders of the Corporation is required, or a share exchange or self-tender offer by the Corporation for all or substantially all of its outstanding Common Stock or the sale or transfer of all or substantially all of the assets of the Corporation as an entirety or any compulsory share exchange affecting the Common Stock; or

(iii) there occurs a Liquidation;

then the Corporation will cause to be filed with the Transfer Agent and will cause to be mailed to the holders of the outstanding shares of Series A Preferred and Series B Preferred at the addresses of such holders as shown on the stock books of the Corporation, as promptly as possible, but at least ten Business Days prior to the applicable date hereinafter specified and no later than when notice is first mailed or sent to the holders of Common Stock, a notice stating (A) the date on which a record is to be taken for the purpose of such dividend, distribution or grant, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution or grant are to be determined or (B) the date on which such reclassification, consolidation, merger, share exchange, self-tender offer, sale, transfer or Liquidation is expected to become effective, and the date as of which it is expected that holders of Common Stock of record will be entitled to exchange their shares of Common Stock for securities or other property, if any, deliverable upon such reclassification, consolidation, merger, share exchange, self-tender offer, sale, transfer or Liquidation. Failure to give or receive such notice or any defect therein will not affect the legality of validity of the proceedings described in this Section 5.

(k) Sufficient Shares of Common Stock. The Corporation covenants that it will at all times reserve and keep available, free from preemptive rights, out of the aggregate of its authorized but unissued shares of Common Stock, solely for the

purpose of effecting conversion of the Series A Preferred and Series B Preferred, the full number of shares of Common Stock deliverable upon the conversion of all outstanding shares of Series A Preferred and Series B Preferred not theretofore converted. For purposes of this Section 5(k), the number of shares of Common Stock that are deliverable upon the conversion of all such outstanding shares will be computed as if at the time of computation all such outstanding shares were held by a single holder.

(l) Compliance with Laws. Prior to the delivery of any securities that the Corporation is obligated to deliver upon conversion of shares of Series A Preferred or Series B Preferred, the Corporation will use its best efforts to comply with all federal and state laws and regulations thereunder requiring the registration of such securities with, or any approval of or consent to the delivery thereof by, any governmental authority.

(m) Officer's Certificate. As promptly as practicable following the Conversion Price Determination Time, the Corporation will promptly file with the Transfer Agent, and cause to be delivered to each holder of Series A Preferred and each holder of Series B Preferred, a certificate signed by the principal financial or accounting officer of the Corporation, setting forth the determination of the initial Conversion Price, the Distributable Market Equity Value Per Share and the Mandatory Conversion Trigger Price. Thereafter whenever the applicable Conversion Price is adjusted pursuant to this Section 5, the Corporation will promptly file with the Transfer Agent, and cause to be delivered to each holder of Series A Preferred and each holder of Series B Preferred, a certificate signed by the principal financial or accounting officer of the Corporation, setting forth in reasonable detail the event requiring the adjustment and the method by which such adjustment was calculated (including a description of the basis of the determination of the Current Market Price and/or Fair Market Value, as applicable) and specifying the new applicable Conversion Price. In the event of a Fundamental Event pursuant to Section 5(i), such a certificate will be issued describing the amount and kind of stock, securities, property or assets or cash receivable upon conversion of the Series A Preferred and Series B Preferred after giving effect to the provisions of such Section 5(i).

(n) Errors. The Board will have the power to resolve any ambiguity or correct any error in Section 5, and its action in doing so will be final and binding and conclusive.

(o) No Increase. Notwithstanding anything herein to the contrary, the Conversion Price will in no event be increased pursuant to Section 5(h)(iii).

6. Voting Rights. (a) General. Subject to the terms of the Shareholders Agreement, holders of shares of Series A Preferred and Series B Preferred will have one vote for each share of Common Stock into which such share of Series A Preferred or Series B Preferred, as applicable, could be converted at the Conversion Price at the record date for determination of the shareholders entitled to vote, or, if no such record date is established, at the date such vote is taken or any written consent of shareholders is solicited by the Corporation. Except as required by law, by the terms of any agreement to which the Corporation and holders of Series A Preferred or Series B

Preferred, as applicable, are a party or as otherwise set forth in this Section 6, such holders will have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and will be entitled to vote, together with holders of Common Stock and not by classes, with respect to any and all matters upon which holders of Common Stock have the right to vote. Fractional votes by the holders of Series A Preferred and Series B Preferred will not be permitted, and any fractional voting rights (after aggregating all shares into which shares of Series A Preferred or Series B Preferred, as applicable, held by each holder could be converted) will be disregarded.

(b) Without limiting Article III of the Shareholders Agreement, beginning with the Corporation's first annual meeting of shareholders following the Original Issue Date, for as long as shares of Series A Preferred having an aggregate Series A Liquidation Preference of at least \$125 million are owned by the Initial Series A Purchaser, the Board will consist of nine members, elected as follows:

(i) The holders of shares of the Series A Preferred will be entitled, voting as a separate class, to elect three directors at each meeting of shareholders held for the purpose of electing directors, at least one of whom will be an Independent Director.

(A) In case of any removal, either with or without cause, of a director elected by the holders of the shares of Series A Preferred, the holders of the shares of Series A Preferred will be entitled, voting as a separate class either by written consent or at a special meeting or next regular meeting, to elect a successor to hold office for the unexpired term of the director who has been removed.

(B) (1) In case of such removal, an officer of the Corporation may call, and, upon written request of the Initial Series A Purchaser, addressed to the Secretary of the Corporation, will call a special meeting of the holders of shares of Series A Preferred. Such meeting will be held at the earliest practicable date upon the notice required for annual meetings of shareholders at the place for holding annual meetings of shareholders of the Corporation, or, if none, at a place designated by the Board. Notwithstanding the provisions of this Section 6(b)(i)(B)(1), no such special meeting will be called during a period within the 120 days immediately preceding the date fixed for the next annual meeting of shareholders in which such case, the election of directors pursuant to Section 6(b)(i) will be held at such annual meeting of shareholders.

(2) At any meeting held for the purpose of electing directors at which the holders of shares of Series A Preferred voting separately as one class have the right to elect directors as provided herein, the presence in person or by proxy of the holders of more than 50% of the then-outstanding shares of the Series A Preferred will be required and will be sufficient to constitute a quorum of such class for the election of directors by such class.

(ii) The remaining directors will be elected by holders of shares of Common Stock and any other class of Capital Stock entitled to vote in the election of directors (including the Series A Preferred and Series B Preferred) (together the "Voting Stock"), voting together as a single class at each meeting of shareholders held for the purpose of electing directors.

(A) In case of any removal, either with or without cause, of a director elected by the holders of the Voting Stock, the holders of the shares of Voting Stock will be entitled, voting together as a class either by written consent or at a special meeting or next regular meeting, to elect a successor to hold office for the unexpired term of the director who has been removed.

(B) (1) In case of such removal, an officer of the Corporation may call, and, upon written request of the holders of at least 25% of the outstanding shares of Voting Stock, addressed to the Secretary of the Corporation, will call a special meeting of the holders of Voting Stock. Such meeting will be held at the earliest practicable date upon the notice required for annual meetings of shareholders at the place for holding annual meetings of shareholders of the Corporation, or, if none, at a place designated by the Board. Notwithstanding the provisions of this Section 6(b)(ii)(B)(1), no such special meeting will be called during a period within the 120 days immediately preceding the date fixed for the next annual meeting of shareholders in which such case, the election of directors pursuant to Section 6(b)(ii) will be held at such annual meeting of shareholders.

(2) At any meeting held for the purpose of electing directors at which the holders of Voting Stock voting together as one class have the right to elect directors as provided herein, the presence in person or by proxy of the holders of more than 50% of the then-outstanding shares of Voting Stock will be required and will be sufficient to constitute a quorum of such class for the election of directors by such class.

(C) In case of any vacancy (other than by removal) in the office of a director elected by the holders of the shares of Common Stock, the vacancy will be filled by the remaining directors of the Board.

(c) Election of Directors Upon Dividend Default. If at any time the equivalent of six quarterly dividends payable on the shares of Series A Preferred or Series B Preferred or any other class or series of Parity Stock are accrued and unpaid (whether or not consecutive and whether or not declared), then, immediately prior to the next annual meeting of shareholders or special meeting of shareholders, the total number of directors constituting the entire Board will automatically be increased by two and, in each case, the holders of all outstanding shares of Series A Preferred, Series B Preferred and any Parity Stock having similar voting rights then exercisable, voting separately as a single class without regard to series, will be entitled to elect at such meeting of the shareholders of the Corporation two directors to serve until all dividends accumulated and unpaid on any such voting shares have been paid. The term of office of all such directors will terminate immediately upon payment in full of all accrued but unpaid dividends and upon such termination the total number of directors constituting

the entire Board will be reduced by two. In exercising any such vote, each outstanding share of Series A Preferred and Series B Preferred will be entitled to one vote, excluding shares held by the Corporation or any entity controlled by the Corporation, which shares will have no vote. Notwithstanding the foregoing, the number of directors to be elected pursuant to this Section 6(c) will be reduced to zero in the event that the holders of Series A Preferred are entitled to elect directors pursuant to Section 6(b)(i) at such time; provided, however, that such number will be increased back to two pursuant to this Section 6(c) effective immediately upon the termination of the right of the holders of Series A Preferred to elect directors pursuant to Section 6(b)(i) unless at such time all accumulated and unpaid dividends have been paid.

(d) No holder of Series A Preferred or Series B Preferred may receive any compensation or remuneration of any kind (from the Corporation or from any other Person) in connection with the exercise or non-exercise of any voting or other rights under any provision of these Articles; provided, that this restriction shall not prohibit the reimbursement of expenses incurred by any holder of Series A Preferred or Series B Preferred and shall not prohibit the payment of fees by the Corporation to any holder of Series A Preferred or Series B Preferred if the Corporation has engaged such holder or its Affiliates as an advisor or consultant in connection with any transaction.

7. Preemptive Rights. (a) If, prior to the Preemptive Rights Disqualifying Date, the Corporation proposes to offer any shares of Capital Stock to any Person or Persons, other than any shares of Capital Stock issued as described in Section 5(h)(iv)(B)(4) or (5), (the "New Securities"), the Corporation will, prior to issuing such New Securities, deliver to the holders of Series A Preferred (the "Qualified Participants") a written offer (the "Preemptive Rights Offer") to issue to such Qualified Participants New Securities to maintain their Pro Rata Amounts. The Preemptive Rights Offer will state (i) the amount of New Securities to be issued, (ii) the terms of the New Securities, (iii) the purchase price of the New Securities, and (iv) any other material terms of the proposed issuance. The Preemptive Rights Offer will remain open and irrevocable for a period of 30 days from the date of its delivery (the "Preemptive Rights Period").

(b) Each Qualified Participant may accept the Preemptive Rights Offer by delivering to the Corporation a written notice (the "Preemptive Rights Notice") within the Preemptive Rights Period. The Preemptive Rights Notice will state the number (the "Preemptive Rights Number") of New Securities such Qualifying Participant desires to purchase. If the sum of all Preemptive Rights Numbers exceeds the number of New Securities that the Corporation proposes to issue, then the New Securities will be allocated among the Qualifying Participants that delivered a Preemptive Rights Notice in accordance with their Pro Rata Amounts.

(c) The issuance of New Securities to the Qualified Participants will be made on a Business Day, as designated by the Corporation, not less than ten nor more than 30 days after expiration of the Preemptive Rights Period on terms and conditions of the Preemptive Rights Offer consistent with this Section 7. At the closing of the issuance of the New Securities to such Qualified Participants, the Corporation will deliver certificates or other instruments evidencing such New Securities against payment of the purchase

price therefor, and such New Securities will be issued free and clear of all liens, claims and other encumbrances (other than those attributable to actions by the purchasers thereof). At such closing, all of the parties to the transaction will execute such additional documents as are deemed by the Board to be necessary or appropriate in its sole discretion.

(d) If the number of New Securities included in the Preemptive Rights Offer exceeds the sum of all Preemptive Rights Numbers, the Corporation may issue such excess or any portion thereof on the terms and conditions of the Preemptive Rights Offer to any Person within 45 days after expiration of the Preemptive Rights Period (or upon the expiration of any regulatory period, if applicable). If such issuance is not made within such period, the restrictions provided for in this Section 7 will again become effective.

Except as otherwise expressly provided in this Section 7, no holder of any shares of Series A Preferred or Series B Preferred will have any preemptive right to acquire any shares of unissued Capital Stock of the Corporation, now or hereafter authorized, or any treasury shares or securities convertible into such shares or carrying a right to subscribe to or acquire such shares of capital stock.

8. Transferability. (a) Subject to Section 8(c), during the six-month period following the Original Issue Date (the "Transfer Prohibition Period"), no holder of shares of Series A Preferred or Series B Preferred may (i) sell, assign, transfer, pledge, hypothecate or otherwise encumber or dispose of in any way all or any part of an interest in ("Transfer") such holder's Series A Preferred or Series B Preferred, as applicable, or (ii) convert any such shares into Common Stock pursuant to Section 5; provided, however, that nothing in this Section 8(a) will prohibit a holder from Transferring Series A Preferred or Series B Preferred to a Permitted Transferee of such holder.

(b) Subject to Section 8(c), during the 30-month period commencing immediately upon the end of the Transfer Prohibition Period, the Initial Series A Purchaser may not (i) Transfer shares of Series A Preferred having an aggregate Series A Liquidation Preference of more than \$125 million to any Person or (ii) convert shares of Series A Preferred having an aggregate Series A Liquidation Preference of more than \$125 million into shares of Common Stock pursuant to Section 5; provided, however, that nothing in this Section 8(b) will prohibit the Initial Series A Purchaser from Transferring Series A Preferred to a Permitted Transferee of such holder (and such a Transfer will not be counted for purposes of clause (i) above).

(c) The restrictions on transferability set forth in Sections 8(a) and (b) will automatically terminate upon any (i) Bankruptcy Event relating to the Corporation, (ii) Company Sale to a Third Party, or (iii) underwritten public offering of any Common Stock for cash (other than in connection with an acquisition of assets, a company or a business by the Corporation or one of its subsidiaries in a transaction approved by the Board) pursuant to an effective registration statement (other than a registration statement on Form S-4 or S-8 or any similar form) filed under the Securities Act, unless



the holders of Series A Preferred or Series B Preferred, as applicable, are given the opportunity to sell securities in such public offering on the basis of their Pro Rata Amounts.

(d) Each certificate representing Series A Preferred or Series B Preferred issued to any holder will bear a legend on the face thereof substantially to the following effect (with such additions thereto or changes therein as the Corporation may be advised by counsel are required by law (the "Legend")):

"THE SHARES OF STOCK REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO TRANSFER RESTRICTIONS CONTAINED IN THE ARTICLES OF SERIAL DESIGNATION RELATING TO SUCH SHARES, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY. NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF SUCH ARTICLES OF SERIAL DESIGNATION."

"THE SHARES OF STOCK REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AND MAY NOT BE TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS THEY HAVE BEEN REGISTERED UNDER THAT ACT OR ANY OTHER APPLICABLE LAW OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE."

The Legend will be removed by the Corporation by the delivery of substitute certificates without such Legend in the event of the termination of the restrictions contained in this Section 8 pursuant to the terms of hereof; provided, however, that the second paragraph of such Legend will only be removed if at such time a legal opinion from counsel to the transferee is obtained to the effect that such legend is no longer required for purposes of applicable securities laws.

(e) In the event of any purported Transfer not made in compliance with this Section 8, such purported Transfer will be void and of no effect and the Corporation will not give effect to such Transfer. The Corporation will be entitled to treat the prior owner as the holder of any such securities not Transferred in accordance with this Section 8.

(f) In no event will any holder of Series A Preferred or Series B Preferred engage in any short sales of Common Stock, any transactions involving options (including exchange-traded options), puts, calls or other derivatives involving securities of the Corporation or any other transactions of any type that would have the effect of providing such holder with any other economic gain in the event of a decrease in the Current Market Price, unless such holder has entered into a market maker agreement with the Corporation (or its predecessor) and Appaloosa, in the form annexed to the Investment Agreement, dated as of September [o], 2007, by and among Appaloosa, [Purchaser] and the Corporation as Exhibit E.

9. Deregistration. For as long as any shares of Series A Preferred or Series B Preferred are outstanding, the Corporation will not voluntarily take any action to deregister or suspend the registration of its Common Stock under Section 12 or 15 of the Exchange Act.

10. No Reissuance. Shares of Series A Preferred or Series B Preferred that have been issued and reacquired in any manner, including shares purchased, redeemed, converted or exchanged, may not be reissued as shares of Series A Preferred or Series B Preferred and will (upon compliance with applicable law) have the status of authorized and unissued shares of Preferred Stock undesignated as to series and may be redesignated and reissued as part of any series of Preferred Stock; provided, however, that so long as any shares of Series A Preferred or Series B Preferred are outstanding, any issuance of such shares must be in compliance with the terms hereof in respect of the applicable series of such shares. Upon any such reacquisitions, the number of shares of Series A Preferred or Series B Preferred, as applicable, authorized pursuant to the Charter and these Articles will be reduced by the number of shares so acquired.

11. Transfer Agent. The duly appointed Transfer Agent for the Series A Preferred and Series B Preferred will be [\_\_\_\_\_]. The Corporation may, in its sole discretion, remove the Transfer Agent in accordance with the agreement between the Corporation and the Transfer Agent as long as the Corporation will appoint a successor transfer agent who will accept such appointment prior to the effectiveness of such removal.

12. Currency. All shares of Series A Preferred and Series B Preferred will be denominated in U.S. currency, and all payments and distributions thereon or with respect thereto will be made in U.S. currency. All references herein to "\$" refer to the U.S. currency.

13. Definitions. In additions to terms defined elsewhere in these Articles, the following terms have the following meanings:

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, another Person. For purposes of this definition, the terms "control," "controlling," "controlled by" and "under common control with," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Appaloosa" means Appaloosa Management L.P., a Delaware limited partnership.

"Articles" means these Articles of Serial Designation of 4.0% Series A Convertible Preferred Stock and 4.0% Series B Convertible Preferred Stock.

"Bankruptcy Event" means the voluntary or involuntary commencement of a case or other proceeding against a Person seeking the liquidation, reorganization, debt arrangement, dissolution, winding up or composition or readjustment of debts of such Person, the appointment of a trustee, receiver, custodian, liquidator, assignee or the like for such Person of all or substantially all of its assets, or any similar action with respect to such Person, whether judicial or non-judicial or under any law relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts; provided, however, that in no event will a Bankruptcy Event be deemed to have occurred as a result of any internal corporate or other restructuring or reorganization of such Person.

"Board" means the Board of Directors of the Corporation; where any consent, approval or action is required by the Board hereunder and the authority of the Board with respect to such consent, approval or action has been delegated to a committee of the Board, in accordance with applicable law, the consent, approval or action by such committee will satisfy such requirement for purposes hereof.

"Business Day" means any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

"Capital Stock" means (a) with respect to any Person that is a corporation or company, any and all shares, interests, participations or other equivalents (however designated) of capital or capital stock of such Person and (b) with respect to any Person that is not a corporation or company, any and all partnership or other equity interests of such Person.

"Charter" means the Corporation's Restated Articles of Incorporation, as it may be amended from time to time.

"Closing Sale Price" when used with reference to shares of the Common Stock or other securities on any date, means the last sale price, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the NYSE or, if the shares of Common Stock or other applicable security are not listed or admitted to trading on the NYSE, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the shares of Common Stock or other security are listed or admitted to trading or, if the shares of Common Stock or other security are not listed or admitted to trading on any national securities exchange, the average of the last quoted high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotations System or such other system then in use, or, if on any such date the shares of Common Stock or other security are not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the Common Stock or other security, as selected by the Board (any such applicable exchange or market referred to above, the "Corporation's Principal Exchange").

"Common Stock" means the common stock, par value \$0.01 per share, of the Corporation and any shares or Capital Stock for or into which such common stock hereafter is exchanged, converted, reclassified or recapitalized by the Corporation or pursuant to an agreement to which the Corporation is a party.

"Common Stock Derivative" means any option, right, warrant or security of the Corporation which is convertible into or exercisable or exchangeable for Common Stock of the Corporation.

"Common Stock Outstanding" means all shares of Common Stock issued and outstanding as of the applicable time plus the number of shares issuable upon conversion or exercise of all outstanding Common Stock Derivatives (including the Series A Preferred and the Series B Preferred) as of the applicable time.

"Company Sale" means any merger, consolidation, business combination, reorganization or recapitalization of the Corporation that results in the transfer of 50% or more of the outstanding voting power of the Corporation, any sale, lease or other disposition of all or substantially all of the assets of the Corporation and its subsidiaries (on a consolidated basis), or any other form of corporate reorganization in which 50% or more of the outstanding shares of any class or series of Capital Stock of the Corporation are exchanged for or converted into cash, securities or property of another business organization.

"Conversion Price" means an amount equal to 0.90 (the "Discount Factor") multiplied by the Distributable Market Equity Value Per Share (rounded up to the nearest cent).

"Current Market Price" when used with reference to shares of Common Stock or other securities on any date, means the average of the Closing Sale Price for the 30 consecutive Trading Days immediately prior to such date; provided, however, (a) if on any such date no market maker is making a market in the Common Stock or such other security so that there is no Closing Sale Price, then the Current Market Price of such Common Stock or other security will be valued using clause (a) of the definition of "Fair Market Value" below, as if it were an "asset" thereunder, and (b) that in the event that the Current Market Price is determined during a period following the announcement by the Corporation or other issuer of the applicable securities of (i) a dividend or distribution on such Common Stock or such other securities payable in shares of such Common Stock or securities convertible into shares of such Common Stock or securities, or (ii) any subdivision, combination or reclassification of such Common Stock or other securities, and prior to the expiration of the requisite 30 Trading Day period set forth above, then, and in each such case, the Current Market Price will be properly adjusted to take into account ex-dividend trading.

"Distributable Market Equity Value Per Share" means a per share value equal to the 20-Trading Day volume weighted average sale price (rounded to the nearest 1/10,000) of the Common Stock on the Corporation's Principal Exchange, as reported by Bloomberg Financial Markets (or such other source as the Corporation may

reasonably determine) and determined using the 22 Trading Days beginning on and including the first Business Day after the Original Issue Date (disregarding the Trading Days during such period having the highest and lowest volume weighted average sale price (as so determined)).

"Dividend Payment Date" means the first day of March, June, September and December; provided, however, that if any Dividend Payment Date falls on any day other than a Business Day, the dividend payment due on such Dividend Payment Date will be paid on the Business Day immediately following such Dividend Payment Date.

"Dividend Periods" means the quarterly dividend periods commencing on and including the first day of March, June, September and December of each year and ending on and including the date before the next Dividend Payment Date of such year, respectively (other than the initial Dividend Period, which will commence on the Original Issue Date and end on and include the date before the first Dividend Payment Date after the Original Issue Date).

"Dividend Record Date" means, with respect to a Dividend Payment Date, the close of business on the 15(th) calendar day prior thereto, or such other record date, not more than 60 days and not less than 10 days preceding the applicable Dividend Payment Date, as may be fixed by the Board.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Fair Market Value" means, with respect to any (a) asset, the amount that a willing buyer would pay an unaffiliated willing seller in an arm's-length transaction to acquire ownership of such asset, with neither being under any compulsion to buy or sell, and both having reasonable knowledge of all relevant facts and taking into account all relevant circumstances and information, including market treatment of similar businesses, historical operating results and projections for future periods, as determined in good faith by the Board, or (b) security, the Current Market Price thereof.

"Fully Diluted Shares" means a number of shares of Common Stock equal to the sum of (a) the number of shares of Common Stock issued and outstanding on the date of the Conversion Price Determination Time plus (b) a number equal to the quotient of (i) the sum of (A) the aggregate Series A Liquidation Preference plus (B) the aggregate Series B Liquidation Preference divided by (ii) the Conversion Price.

"Independent Director" means a director of the Corporation who qualifies as an "independent director" of the Corporation under (a) New York Stock Exchange ("NYSE") Rule 303A(2), as such rule may be amended, supplemented or replaced from time to time ("303A(2)"), or (b) if the Corporation is listed or quoted on another securities exchange or quotation system that has an independence requirement, the comparable rule or regulation of such securities exchange or quotation system on which the Common Stock is listed or quoted (whether by final rule or otherwise). In addition, in order for a director designated by Appaloosa to be deemed to be an "Independent Director," such director would also have to be considered an "independent director" of

Appaloosa and the Initial Series A Purchaser under 303A(2), assuming for this purpose that (i) such director were a director of Appaloosa and the Initial Series A Purchaser (whether or not such director actually is or has been a director of Appaloosa or the Initial Series A Purchaser) and (ii) Appaloosa and the Initial Series A Purchaser are each deemed to be a NYSE listed company.

"Initial Series A Purchaser" means \_\_\_\_\_, a \_\_\_\_\_, and any Permitted Transferee thereof, but only to the extent that such Permitted Transferee is a corporation or other organization, whether incorporated or unincorporated, of which either the Initial Series A Purchaser or Appaloosa directly or indirectly owns or controls 100% of the securities or other interests having by their terms ordinary voting power to elect the board of directors (or others performing similar functions) of such corporation or other organization.

"Issue Date" means, with respect to a share of Series A Preferred or Series B Preferred, the date on which such share is issued and sold by the Corporation.

"Liquidation Preference" means, as applicable, the Series A Liquidation Preference or the Series B Liquidation Preference.

"Original Issue Date" means effective date of the Plan, which is the date of the original issuance of shares of Series A Preferred and Series B Preferred.

"Permitted Transferee" means, with respect to any holder of Series A Preferred or Series B Preferred, an Affiliate of such holder that acknowledges the transfer restrictions set forth in Section 8 and agrees to be bound by any agreements to which such holder is a party with respect to its ownership of Series A Preferred or Series B Preferred, as applicable, to the same extent it would be bound if it were an original party thereto as evidenced by documentation satisfactory to the Corporation in its sole discretion.

"Person" means any individual, firm, corporation, partnership, limited partnership, limited liability company, joint venture, association, trust, unincorporated organization or other entity, and will include a "group" (within the meaning of Sections 13(d) and 14(d) of the Exchange Act), as well as any successor (by merger or otherwise) of any such Person.

"Plan" means the joint plan of reorganization filed by Dana Corporation and its debtor subsidiaries with the United States Bankruptcy Court for the Southern District of New York on \_\_\_\_\_, 2007, as such joint plan may be amended.

"Preemptive Rights Disqualifying Date" means the date on which the Initial Series A Purchaser no longer beneficially owns shares of Series A Preferred having a Liquidation Preference of at least 50% of the Series A Preferred Liquidation Preference of shares of Series A Preferred that are outstanding at such time.

"Preferred Stock" means the Corporation's authorized Preferred Stock, par value \$0.01 per share.

"Pro Rata Amounts" means, on the date of determination, with respect to any holder of Preferred Stock, the quotient obtained by dividing (a) the aggregate number of shares of Common Stock issuable upon conversion of the shares of Series A Preferred or Series B Preferred, as applicable, held by such holder on such date by (b) the aggregate number of shares of Common Stock Outstanding.

"Required Holders" means holders of shares of Series A Preferred having a Liquidation Preference of at least 50% of the Series A Liquidation Preference of shares of Series A Preferred that are outstanding at such time.

"Securities Act" means the Securities Act of 1933, as amended.

"Series A Liquidation Preference" means \$100.00 per share, as adjusted from time to time for Series A Preferred stock splits, stock dividends, recapitalizations and the like.

"Series B Liquidation Preference" means \$100.00 per share, as adjusted from time to time for Series B Preferred stock splits, stock dividends, recapitalizations and the like.

"Series A Nominating Committee" means a committee of the Board that consists of three directors, two of whom will be chosen by the Initial Series A Purchaser and one of whom will be chosen by the Board.

"Shareholders Agreement" means the Shareholders Agreement among the Corporation, Appaloosa and the Initial Series A Purchaser, as in effect from time to time.

"set apart for payment" will be deemed to include, without any action by the Corporation other than the following, the recording by the Corporation in its accounting ledgers of any accounting or bookkeeping entry which indicates, pursuant to an authorization of dividends or other distribution by the Board, the allocation of funds or Capital Stock of the Corporation to be so paid on any series or class of Capital Stock of the Corporation.

"Third Party" means a Person that is not (a) the Corporation or any of its subsidiaries or (b) an Affiliate of the Corporation or any of its subsidiaries.

"Trading Day" means a day on which the principal national securities exchange on which the shares of Common Stock are listed or admitted to trading is open for the transaction of business or, if the shares of the Common Stock are not listed or admitted to trading on any national securities exchange, a Business Day.

"Transfer Agent" means the transfer agent or agents of the Corporation as may be designated by the Board or its designee as the transfer agent for the Series A Preferred and Series B Preferred.

14. Amendment. No provision of these Articles may be repealed or amended in any respect unless such repeal or amendment is approved by the affirmative vote of not less than a majority of the total voting power of all Common Stock Outstanding (on an as-converted basis).



[NEW DANA CORPORATION]

REGISTRATION RIGHTS AGREEMENT

REGISTRATION RIGHTS AGREEMENT, dated as of \_\_\_\_\_, 2007 (the "Agreement"), between Appaloosa Management L.P., a Delaware limited partnership ("Appaloosa"), \_\_\_\_\_, a Delaware limited liability company (the "Investor") and [New Dana Corporation], a \_\_\_\_\_ corporation (the "Company").

R E C I T A L S

WHEREAS, the Investor has, pursuant to the terms of the Investment Agreement, dated as of August [0], 2007, by and among the Company, Appaloosa and the Investor (the "Investment Agreement"), agreed to purchase shares of (i) 4.0% Series A Convertible Preferred Stock, par value \$0.01 per share, of the Company (the "Series A Preferred Stock") and (ii) 4.0% Series B Convertible Preferred Stock, par value \$0.01 per share, of the Company (the "Series B Preferred Stock"); and

WHEREAS, the shares of Series A Preferred Stock are convertible into shares of common stock, par value \$0.01 per share, of the Company (the "Common Stock"); and

WHEREAS, the shares of Series B Preferred Stock are convertible into shares of Common Stock; and

WHEREAS, the Company has agreed, as a condition precedent to the Investor's obligations under the Investment Agreement, to grant the Investor certain registration rights; and

WHEREAS, the Company and the Investor desire to define the registration rights of the Investor on the terms and subject to the conditions herein set forth.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the parties hereby agree as follows:

SECTION 1. DEFINITIONS

As used in this Agreement, the following terms have the respective meanings set forth below:

Allocation Priority: shall have the meaning set forth in Section 2(b)(ii);

Agreement: shall mean this Agreement among Appaloosa, the Investor and the Company;

Commission: shall mean the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act;

Exchange Act: shall mean the Securities Exchange Act of 1934, as amended (or any successor act), and the rules and regulations promulgated thereunder;

Holder: shall mean any holder of Registrable Securities;

Initiating Holder: shall mean any Holder or Holders who in the aggregate are Holders of more than 50% of the then outstanding Registrable Securities;

Maximum Number of Shares: shall have the meaning set forth in Section 2(b)(ii);

Person: shall mean an individual, partnership, joint-stock company, corporation, trust or unincorporated organization, and a government or agency or political subdivision thereof;

Pro Rata: shall have the meaning set forth in Section 2(b)(ii);

Register, Registered and Registration: shall mean a registration effected by preparing and filing a registration statement in compliance with the Securities Act (and any post-effective amendments filed or required to be filed) and the declaration or ordering of effectiveness of such registration statement;

Registrable Securities: shall mean any (A) Series A Preferred Stock

held by the Investor, (B) shares of Common Stock issuable upon conversion of the shares of Series A Preferred Stock held by the Investor, (C) Series B Preferred Stock held by the Investor, (D) shares of Common Stock issuable upon conversion of the shares of Series B Preferred Stock held by the Investor, (E) other shares of Common Stock acquired by the Investor after the date hereof unless acquired in breach of any agreement between the Holder and the Company and (F) any additional securities of the Company issued as a dividend or other distribution with respect to, or in exchange for or in replacement of, any securities of the Company held by the Investor, including but not limited to, those listed in clauses (A), (B), (C), (D) and (E);

Registration Expenses: shall mean all reasonable expenses incurred by the Company in compliance with Section 2(a), (b) and (c) hereof, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel for the Company, reasonable fees and expenses of one counsel for all the Holders, blue sky fees and expenses and the reasonable expense of any special audits incident to or required by any such registration (but excluding the compensation of regular employees of the Company, which shall be paid in any event by the Company);

security, securities: shall have the meaning set forth in Section 2(1) of the Securities Act;

Securities Act: shall mean the Securities Act of 1933, as amended (or any successor act), and the rules and regulations promulgated thereunder; and

Selling Expenses: shall mean all underwriting discounts and selling commissions applicable to the sale of Registrable Securities and all fees and disbursements of counsel for each of the Holders other than reasonable fees and expenses of one counsel for all the Holders.

## SECTION 2. REGISTRATION RIGHTS

### (a) Demand Registration.

(i) Request for Registration. If the Company shall receive from an Initiating Holder, at any time, a written request that the Company effect any registration with respect to all or a part of the Registrable Securities, the Company will:

(1) promptly give written notice of the proposed registration, qualification or compliance to all other Holders; and

(2) as soon as practicable, use its reasonable best efforts to effect such registration (including, without limitation, the execution of an undertaking to file post-effective amendments, appropriate qualification under applicable blue sky or other state securities laws and appropriate compliance with applicable regulations issued under the Securities Act) as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any Holder or Holders joining in such request as are specified in a written request received by the Company within ten (10) business days after written notice from the Company is given under Section 2(a)(i)(1) above; provided, that the Company shall not be obligated to effect, or take any action to effect, any such registration pursuant to this Section 2(a):

(A) In any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, qualification or compliance, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act or applicable rules or regulations thereunder;

(B) After the Company has effected one (1) such registration pursuant to this Section 2(a) and such registration has been declared or ordered effective and the sales of such Registrable Securities shall have closed; provided, however, that a registration shall not be deemed to constitute a registration pursuant to this Section 2(a) in the event that less than ninety percent (90%) of the Registrable Securities held by Holders participating in the registration are permitted to participate in such registration;

(C) If the Registrable Securities requested by all Holders to be registered pursuant to such request do not have an anticipated aggregate public offering price (before any underwriting discounts and commissions) of not less than \$[insert dollar amount to 10% of the sum of (1) the total aggregate Series A Purchase Price (as defined in the Investment Agreement) and (2) the total aggregate Series B Purchase Price that is paid by Appaloosa and the Investor under the Investment Agreement for Shares (as defined in the Investment Agreement)];

(D) During the period starting with the date thirty (30) days prior to the Company's good faith estimate of the date of filing of, and ending on the date three (3) months immediately following the effective date of, any registration statement pertaining to securities of the Company (other than a registration of securities in a Rule 145 transaction under the Securities Act, with respect to an employee benefit plan or with respect to the Company's first registered public offering of its stock); provided, that the Company is actively employing in good faith all reasonable efforts to cause such registration statement to become effective; provided, however, that the Company may only delay an offering pursuant to this Section 2(a)(i)(2)(D) for a period of not more than thirty (30) days, if a filing of any other registration statement is not made within that period and the Company may only exercise this right once in any twelve (12)-month period; or

(E) If the Company shall furnish to the Initiating Holders a certificate signed by the President of the Company stating that in the good faith judgment of the Board of Directors of the Company it would be seriously detrimental to the Company or its stockholders for a registration statement to be filed in the near future, in which case the Company's obligation to use its best efforts to comply with this Section 2(a) shall be deferred for a period not to exceed ninety (90) days from the date of receipt of written request from the Initiating Holders; provided, however, that the Company shall not exercise such right more than once in any twelve (12)-month period.

The registration statement filed pursuant to the request of the Initiating Holders may, subject to the provisions of Section 2(a)(ii) below, include other securities of the Company that are held by Persons who, by virtue of agreements with the Company, are entitled to include their securities in any such registration ("Other Stockholders"). In the event any Holder requests a registration pursuant to this Section 2(a) in connection with a distribution of Registrable Securities to its partners or members, the registration shall provide for the resale by such partners or members, if requested by such Holder.

(ii) Underwriting. If the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 2(a)(i).

If Other Stockholders request inclusion of their securities in the underwriting, the Holders shall offer to include the securities of such Other Stockholders in the underwriting and may condition such offer on their acceptance of the further applicable provisions of this Section 2. The Holders whose shares are to be included in such registration and the Company shall (together with all Other Stockholders proposing to distribute their securities through such underwriting) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected for such underwriting by the Initiating Holders and reasonably acceptable to the Company. Notwithstanding any other provision of this Section 2(a), if the representative advises the Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, the representative may limit the number of Registrable Securities to be included in the registration and underwriting in accordance with the Allocation Priority set forth in Section 2(b)(ii); provided that such allocation shall be made in the following manner: (i) first, Pro Rata (as defined below) to Registrable Securities and securities entitled to registration under the Series B Registration Rights Agreement (as defined below), regardless of the number of shares that can be sold without exceeding the Maximum Number of Shares; (ii) second, to securities that the Company desires to sell, and (iii) third, securities for the account of Other Stockholders that the Company is obligated to register pursuant to written contractual arrangements with such persons that can be sold, Pro Rata, in the case of (ii) and (iii) without exceeding the Maximum Number of Shares. If any Holder or Other Stockholder who has requested inclusion in such registration as provided herein disapproves of the terms of the underwriting, such Person may elect to withdraw therefrom by providing written notice to the Company, the underwriter and the Initiating Holders. The securities so withdrawn shall also be withdrawn from registration.

(b) Company Registration.

(i) If the Company shall determine to register any of its equity securities either for its own account or for the account of Other Stockholders, other than a registration relating solely to employee benefit plans, or a registration relating solely to a Rule 145 transaction under the Securities Act, or a registration on any registration form which does not permit secondary sales or does not include substantially the same information as would be required to be included in a registration statement covering the sale of Registrable Securities, the Company will:

(1) promptly give to each of the Holders a written notice thereof (which shall include a list of the jurisdictions in which the Company intends to attempt to qualify such securities under the applicable blue sky or other state securities laws); and

(2) include in such registration (and any related qualification under blue sky laws or other compliance), and in any underwriting involved therein, all the Registrable Securities specified in a written request or requests, made by the Holders within ten (10) days after receipt of the written notice from the Company described in clause (1) above,

except to the extent limited as set forth in Section 2(b)(ii) below. Such written request may specify all or a part of the Holders' Registrable Securities. In the event any Holder requests inclusion in a registration pursuant to this Section 2(b) in connection with a distribution of Registrable Securities to its partners or members, the registration shall provide for the resale by such partners or members, if requested by such Holder.

(ii) Underwriting. If the registration of which the Company gives notice is for a registered public offering involving an underwriting, the Company shall so advise each of the Holders as a part of the written notice given pursuant to Section 2(b)(i)(1) above. In such event, the right of each of the Holders to registration pursuant to this Section 2(b) shall be conditioned upon such Holders' participation in such underwriting and the inclusion of such Holders' Registrable Securities in the underwriting to the extent provided herein. The Holders whose shares are to be included in such registration shall (together with the Company and the Other Stockholders distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected for underwriting by the Company. Notwithstanding any other provision of this Section 2(b), if the representative determines that marketing factors require a limitation on the number of shares to be underwritten, the representative may limit the number of Registrable Securities to be included in the registration and underwriting in accordance with the allocation priority set forth below. The Company shall promptly advise all holders of securities requesting registration of such limitation, and the number of shares of securities that are entitled to be included in the registration and underwriting (the "Maximum Number of Shares") shall be allocated in the following manner: (i) first, the securities that the Company desires to sell, regardless of the number of shares that can be sold without exceeding the Maximum Number of Shares; (ii) second, both (A) the Registrable Securities held by the Holders and (B) the securities held by holders of Series B Preferred Stock entitled to registration under the Registration Rights Agreement, dated \_\_\_\_\_, 200\_, among the holders of Series B Preferred Stock and the Company (the "Series B Registration Rights Agreement"), all pro rata in accordance with the number of shares that each such Holder of Registrable Securities or holder of securities entitled to registration under the Series B Registration Rights Agreement, respectively, has requested be included in such registration (such proportion is referred to herein as "Pro Rata"), to the extent that the Maximum Number of Shares has not been exceeded; and (iii) third, to the extent that the Maximum Number of Shares has not been reached under the foregoing clauses, the securities for the account of Other Stockholders that the Company is obligated to register pursuant to written contractual arrangements with such persons that can be sold, Pro Rata, without exceeding the Maximum Number of Shares (the foregoing allocation is referred to herein as the "Allocation Priority"). If any of the Holders or any officer, director or Other Stockholder disapproves of the terms of any such underwriting, he she or it may elect to withdraw therefrom by providing written notice to the Company and the underwriter. Any Registrable Securities or other securities excluded or withdrawn from such underwriting shall be withdrawn from such registration.

(c) Form S-3. The Company shall use its reasonable best efforts to qualify for registration on Form S-3 for secondary sales. After the Company has qualified for the use of Form S-3, the Holders shall have the right to request up to four (4) registrations on Form S-3

(such requests shall be in writing and shall state the number of shares of Registrable Securities to be disposed of and the intended method of disposition of shares by such holders), provided, that the Company shall not be obligated to effect, or take any action to effect, any such registration pursuant to this Section 2(c):

(i) Unless the Holder or Holders requesting registration propose to dispose of shares of Registrable Securities having an aggregate price to the public (before deduction of Selling Expenses) of more than \$[insert dollar amount to 5% of the sum of (1) the total aggregate Series A Purchase Price (as defined in the Investment Agreement) and (2) the total aggregate Series B Purchase Price that is paid by Appaloosa and the Investor under the Investment Agreement for Shares (as defined in the Investment Agreement)];

(ii) Within one hundred eighty (180) days of the effective date of the most recent registration pursuant to this Section 2(c) in which securities held by the requesting Holder could have been included for sale or distribution;

(iii) In any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, qualification or compliance, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act or applicable rules or regulations thereunder;

(iv) During the period starting with the date thirty (30) days prior to the Company's good faith estimate of the date of filing of, and ending on the date three (3) months immediately following the effective date of, any registration statement pertaining to securities of the Company (other than a registration of securities in a Rule 145 transaction under the Securities Act or with respect to an employee benefit plan); provided, that the Company is actively employing in good faith all reasonable efforts to cause such registration statement to become effective; provided, however, that the Company may only delay an offering pursuant to this Section 2(c)(iv) for a period of not more than thirty (30) days, if a filing of any other registration statement is not made within that period and the Company may only exercise this right once in any twelve (12)-month period; or

(v) If the Company shall furnish to the Holders a certificate signed by the President of the Company stating that in the good faith judgment of the Board of Directors of the Company it would be seriously detrimental to the Company or its stockholders for a registration statement to be filed in the near future, in which case the Company's obligation to use its best efforts to comply with this Section 2(c) shall be deferred for a period not to exceed ninety (90) days from the date of receipt of written request from the Holders; provided, however, that the Company shall not exercise such right more than once in any twelve (12)-month period.

The Company shall give written notice to all Holders of the receipt of a request for registration pursuant to this Section 2(c) and shall provide a reasonable opportunity for other Holders to

participate in the registration; provided, that if the registration is for an underwritten offering, the terms of Section 2(a)(ii) above shall apply to all participants in such offering. Subject to the foregoing, the Company will use its reasonable best efforts to effect promptly the registration of all shares of Registrable Securities on Form S-3 to the extent requested by the Holder or Holders thereof for purposes of disposition. In the event any Holder requests a registration pursuant to this Section 2(c) in connection with a distribution of Registrable Securities to its partners or members, the registration shall provide for the resale by such partners or members, if requested by such Holder.

(d) Expenses of Registration. All Registration Expenses incurred in connection with any registration, qualification or compliance pursuant to this Section 2 shall be borne by the Company, and all Selling Expenses shall be borne by the Holders of the securities so registered pro rata on the basis of the number of their shares so registered.

(e) Registration Procedures. In the case of each registration effected by the Company pursuant to this Section 2, the Company will keep the Holders, as applicable, advised in writing as to the initiation of each registration and as to the completion thereof. At its reasonable expense, the Company will:

(i) keep such registration effective for a period of ninety (90) days;

(ii) furnish such number of prospectuses and other documents incident thereto as each of the Holders, as applicable, from time to time may reasonably request;

(iii) notify each Holder of Registrable Securities covered by such registration at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(iv) furnish, on the date that such Registrable Securities are delivered to the underwriters for sale, if such securities are being sold through underwriters or, if such securities are not being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective, (1) an opinion, dated as of such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is reasonably and customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the Holders participating in such registration and (2) a letter, dated as of such date, from the independent certified public accountants of the Company, in form and substance as is reasonably and customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters, if any, and if permitted by applicable accounting standards, to the Holders participating in such registration.



(f) Indemnification.

(i) The Company will indemnify each Holder, each of its officers, directors and partners and members, and each Person controlling each Holder, with respect to each registration which has been effected pursuant to this Section 2, and each underwriter, if any, and each person who controls any underwriter, against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any such registration statement, prospectus, issuer free-writing prospectus, offering circular or other document, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each such Holder, each of its officers, directors and partners and members, and each Person controlling each such Holder, each such underwriter and each Person who controls any such underwriter, for any legal and any other expenses reasonably incurred in connection with investigating and defending any such claim, loss, damage, liability or action; provided, that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability or expense arises out of or is based on any untrue statement or omission based upon written information furnished to the Company by such Holder or underwriter and stated to be specifically for use therein; provided, however, that the obligations of the Company to each Holder hereunder shall be limited to an amount equal to the net proceeds to such Holder of securities sold in such registration as contemplated herein.

(ii) Each Holder will, if Registrable Securities held by it are included in the securities as to which such registration, qualification or compliance is being effected, severally and not jointly, indemnify the Company, each of its directors and officers and each underwriter, if any, of the Company's securities covered by such a registration statement, each Person who controls the Company or such underwriter, each Other Stockholder and each of their respective officers, directors, partners and members, and each Person controlling such Other Stockholder against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any such registration statement, prospectus, issuer free-writing prospectus, offering circular or other document made by such Holder in writing, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements by such Holder therein not misleading, and will reimburse the Company, the underwriters, and such Other Stockholders, and their respective directors, officers, partners, members, Persons or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement, prospectus, offering circular or other document in reliance upon and in conformity with written information furnished to the Company by such Holder and stated to be specifically for use therein; provided, however, that the obligations of each Holder hereunder shall be limited to an amount equal to the net proceeds to such Holder of securities sold in such registration as contemplated herein.

(iii) Each party entitled to indemnification under this Section 2(f) (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom; provided, that counsel for the Indemnifying Party, who shall conduct the defense of such claim or any litigation resulting therefrom, shall be approved by the Indemnified Party (whose approval shall not unreasonably be withheld) and the Indemnified Party may participate in such defense at such party's expense (unless the Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party in such action, in which case the fees and expenses of counsel shall be at the expense of the Indemnifying Party), and provided further, that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 2(f) unless the Indemnifying Party is materially prejudiced thereby. No Indemnifying Party, in the defense of any such claim or litigation shall, except with the prior written consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation. Each Indemnified Party shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with the defense of such claim and litigation resulting therefrom.

(iv) If the indemnification provided for in this Section 2(f) is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any loss, liability, claim, damage or expense referred to herein, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party hereunder, shall contribute to the amount paid or payable by such Indemnified Party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other in connection with the statements or omissions (or alleged statements or omissions) which resulted in such loss, liability, claim, damage or expense, as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party and of the Indemnified Party shall be determined by reference to, among other things, whether the untrue (or alleged untrue) statement of a material fact or the omission (or alleged omission) to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(v) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with any underwritten public offering contemplated by this Agreement are in conflict with the foregoing provisions, the provisions in such underwriting agreement shall be controlling.

(g) Information by the Holders.

(i) Each Holder including securities in any registration pursuant to the terms of this Agreement shall furnish to the Company such information regarding such Holder and the distribution proposed by such Holder as the Company may reasonably request in writing and as shall be reasonably required in connection with any registration, qualification or compliance referred to in this Section 2.

(ii) In the event that, either immediately prior to or subsequent to the effectiveness of any registration statement, any Holder shall distribute Registrable Securities to its partners or members, such Holder shall so advise the Company and provide such information as shall be necessary to permit an amendment to such registration statement to provide information with respect to such partners or members, as selling security holders. Promptly following receipt of such information, the Company shall file an appropriate amendment to such registration statement reflecting the information so provided. Any incremental expense to the Company resulting from such amendment shall be borne by such Holder.

(h) Rule 144 Reporting.

With a view to making available the benefits of certain rules and regulations of the Commission which may permit the sale of restricted securities to the public without registration, the Company agrees to:

(i) at all times make and keep public information available as those terms are understood and defined in Rule 144 under the Securities Act ("Rule 144");

(ii) use its reasonable best efforts to file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act at any time after it has become subject to such reporting requirements; and

(iii) so long as a Holder owns any Registrable Securities, furnish to such Holder, upon request, a written statement by the Company as to its compliance with the reporting requirements of Rule 144, and of the Securities Act and the Exchange Act, a copy of the most recent annual or quarterly report of the Company, and such other reports and documents so filed as such Holder may reasonably request in availing itself of any rule or regulation of the Commission allowing the Holder to sell any such securities without registration.

(i) Termination. The registration rights set forth in this Section 2 shall not be available to any Holder if, (i) in the written opinion of counsel to the Company, all of the Registrable Securities then owned by such Holder could be sold in any ninety (90)-day period pursuant to Rule 144(k) or are otherwise freely saleable or (ii) all of the Registrable Securities

held by such Holder have been sold in a registration pursuant to the Securities Act or pursuant to Rule 144.

(j) The registration rights set forth in this Section 2 may be assigned, in whole or in part, to any transferee of Registrable Securities (who shall be bound by all obligations of this Agreement).

### SECTION 3. INTERPRETATION OF THIS AGREEMENT

(a) Directly or Indirectly. Where any provision in this Agreement refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

### SECTION 4. MISCELLANEOUS

(a) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State without regard to conflicts of law principles.

(b) Section Headings. The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof.

(c) Notices.

(i) All communications under this Agreement shall be in writing and shall be delivered by hand or facsimile or mailed by overnight courier or by registered or certified mail, postage prepaid:

(1) if to the Company, to Dana Corporation (or the name of the Company), 4500 Dorr Street, Toledo, OH 43615, Attention: General Counsel and Secretary (facsimile: (419) 535-4544), or at such other address or facsimile number as it may have furnished in writing to the Holders, with a copy to Jones Day, 222 East 41st Street, New York, New York 10017 (facsimile: (212) 755-7306), Attention: Marilyn W. Sonnie, Esq.

(2) if to the Holders, to Appaloosa Management L.P., 26 Main Street, Chatham, NJ 07928, Attention: James Bolin (j.bolin@ampl.com), Fax: (973) 701-7055, with a copy to White & Case LLP, Wachovia Financial Center, 200 South Biscayne Boulevard, Suite 4900, Miami, Florida 33131-2352, Attention: Thomas E. Lauria (tlauria@whitecase.com) and Gerard Uzzi (guzzi@whitecase.com), Fax: (305) 358-5744/5766, and to White & Case LLP, 1155 Avenue of the Americas, New York, New York 10036, Attention: John Reiss (jreiss@whitecase.com) and Steven Teichman (steichman@whitecase.com), Fax: 212-354-8113.

(ii) Any notice so addressed shall be deemed to be given: if delivered by hand or facsimile, on the date of such delivery; if mailed by overnight courier, on the first

business day following the date of such mailing; and if mailed by registered or certified mail, on the third business day after the date of such mailing.

(d) **Reproduction of Documents.** This Agreement and all documents relating thereto, including, without limitation, any consents, waivers and modifications which may hereafter be executed may be reproduced by the Holders by any photographic, photostatic, microfilm, microcard, miniature photographic or other similar process and the Holders may destroy any original document so reproduced. The parties hereto agree and stipulate that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by the Holders in the regular course of business) and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

(e) **Successors and Assigns.** This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties.

(f) **Entire Agreement; Amendment and Waiver.** This Agreement constitutes the entire understanding of the parties hereto relating to the subject matter hereof and supersedes all prior understandings among such parties. This Agreement may be amended, and the observance of any term of this Agreement may be waived, with (and only with) the written consent of the Company and the Holders holding a majority of the then outstanding Registrable Securities. Any amendment or waiver effected in accordance with this Section 4(f) shall be binding upon each Holder of Registrable Securities then outstanding (whether or not such Holder consented to any such amendment or waiver).

(g) **Severability.** In the event that any part or parts of this Agreement shall be held illegal or unenforceable by any court or administrative body of competent jurisdiction, such determination shall not affect the remaining provisions of this Agreement which shall remain in full force and effect.

(h) **Counterparts.** This Agreement may be executed in two or more counterparts (including by facsimile), each of which shall be deemed an original and all of which together shall be considered one and the same agreement.

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IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first set forth above.

[NEW DANA CORPORATION]

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

APPALOOSA MANAGEMENT, L.P.

By: \_\_\_\_\_, its General Partner

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

[PURCHASER]

By: \_\_\_\_\_  
Name:  
Title: Authorized Person

[NEW DANA CORPORATION]

REGISTRATION RIGHTS AGREEMENT

REGISTRATION RIGHTS AGREEMENT, dated as of \_\_\_\_\_, 2007 (the "Agreement") by [New Dana Corporation], a \_\_\_\_\_ corporation (the "Company") in favor of each purchaser of 4.0% Series B Convertible Preferred Stock listed on Schedule A (the "Investors").(1)

R E C I T A L S

WHEREAS, the Investors have agreed to purchase shares of 4.0% Series B Convertible Preferred Stock, par value \$0.01 per share, of the Company (the "Series B Preferred Stock"); and

WHEREAS, the shares of Series B Preferred Stock are convertible into shares of common stock, par value \$0.01 per share, of the Company (the "Common Stock"); and

WHEREAS, the Company has agreed, as a condition precedent to the Investors' obligations under the Subscription Agreement, to grant the Investors certain registration rights; and

WHEREAS, the Company and the Investors desire to define the registration rights of the Investor on the terms and subject to the conditions herein set forth.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the parties hereby agree as follows:

SECTION 1. DEFINITIONS

As used in this Agreement, the following terms have the respective meanings set forth below:

Allocation Priority: shall have the meaning set forth in Section 2(b)(ii);

Agreement: shall mean this Agreement among the Investors and the Company;

Commission: shall mean the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act;

- - - - -  
(1) Assuming that the 1145 exemption is available, purchasers of Series B Preferred in the Rights offering will be able to trade freely unless they are deemed "underwriter". Accordingly, this agreement would only be necessary for persons that are deemed underwriters.

Exchange Act: shall mean the Securities Exchange Act of 1934, as amended (or any successor act), and the rules and regulations promulgated thereunder;

Holder: shall mean any holder of Registrable Securities;

Initiating Holder: shall mean any Holder or Holders who in the aggregate are Holders of more than 50% of the then outstanding Registrable Securities;

Maximum Number of Shares: shall have the meaning set forth in Section 2(b)(ii);

Person: shall mean an individual, partnership, joint-stock company, corporation, trust or unincorporated organization, and a government or agency or political subdivision thereof;

Pro Rata: shall have the meaning set forth in Section 2(b)(ii);

Register, Registered and Registration: shall mean a registration effected by preparing and filing a registration statement in compliance with the Securities Act (and any post-effective amendments filed or required to be filed) and the declaration or ordering of effectiveness of such registration statement;

Registrable Securities: shall mean any (A) Series B Preferred Stock held by the Investors, (B) shares of Common Stock issuable upon conversion of the shares of Series B Preferred Stock held by the Investors, (C) other shares

of Common Stock acquired by the Investors after the date hereof unless acquired in breach of any agreement between the Holder and the Company and (D) additional securities of the Company issued as a dividend or other distribution with respect to, or in exchange for or in replacement of any securities of the Company held by the Investors, including but not limited to, those listed in clauses (A), (B) and (C);

Registration Expenses: shall mean all reasonable expenses incurred by the Company in compliance with Section 2(a), (b) and (c) hereof, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel for the Company, reasonable fees and expenses of one counsel for all the Holders, blue sky fees and expenses and the reasonable expense of any special audits incident to or required by any such registration (but excluding the compensation of regular employees of the Company, which shall be paid in any event by the Company);

security, securities: shall have the meaning set forth in Section 2(1) of the Securities Act;

Securities Act: shall mean the Securities Act of 1933, as amended (or any successor act), and the rules and regulations promulgated thereunder; and



Selling Expenses: shall mean all underwriting discounts and selling commissions applicable to the sale of Registrable Securities and all fees and disbursements of counsel for each of the Holders other than reasonable fees and expenses of one counsel for all the Holders.

## SECTION 2. REGISTRATION RIGHTS

### (a) Demand Registration.

(i) Request for Registration. If the Company shall receive from an Initiating Holder, at any time, a written request that the Company effect any registration with respect to all or a part of the Registrable Securities, the Company will:

(1) promptly give written notice of the proposed registration, qualification or compliance to all other Holders; and

(2) as soon as practicable, use its reasonable best efforts to effect such registration (including, without limitation, the execution of an undertaking to file post-effective amendments, appropriate qualification under applicable blue sky or other state securities laws and appropriate compliance with applicable regulations issued under the Securities Act) as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any Holder or Holders joining in such request as are specified in a written request received by the Company within ten (10) business days after written notice from the Company is given under Section 2(a)(i)(1) above; provided, that the Company shall not be obligated to effect, or take any action to effect, any such registration pursuant to this Section 2(a):

(A) In any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, qualification or compliance, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act or applicable rules or regulations thereunder;

(B) After the Company has effected one (1) such registration pursuant to this Section 2(a) and such registration has been declared or ordered effective and the sales of such Registrable Securities shall have closed; provided, however, that a registration shall not be deemed to constitute a registration pursuant to this Section 2(a) in the event that less than ninety percent (90%) of the Registrable Securities held by Holders participating in the registration are permitted to participate in such registration;

(C) If the Registrable Securities requested by all Holders to be registered pursuant to such request do not have an anticipated aggregate public offering price (before any underwriting discounts and commissions) of not less than \$[insert dollar amount equal to 10% of the total aggregate Series B Purchase Price (as defined in the Investment

Agreement) that is paid by all of the Investors under the Investment Agreement for shares of Series B Preferred (as defined in the Investment Agreement)];

(D) During the period starting with the date thirty (30) days prior to the Company's good faith estimate of the date of filing of, and ending on the date three (3) months immediately following the effective date of, any registration statement pertaining to securities of the Company (other than a registration of securities in a Rule 145 transaction under the Securities Act, with respect to an employee benefit plan or with respect to the Company's first registered public offering of its stock); provided, that the Company is actively employing in good faith all reasonable efforts to cause such registration statement to become effective; provided, however, that the Company may only delay an offering pursuant to this Section 2(a)(i)(2)(D) for a period of not more than thirty (30) days, if a filing of any other registration statement is not made within that period and the Company may only exercise this right once in any twelve (12)-month period; or

(E) If the Company shall furnish to the Initiating Holders a certificate signed by the President of the Company stating that in the good faith judgment of the Board of Directors of the Company it would be seriously detrimental to the Company or its stockholders for a registration statement to be filed in the near future, in which case the Company's obligation to use its best efforts to comply with this Section 2(a) shall be deferred for a period not to exceed ninety (90) days from the date of receipt of written request from the Initiating Holders; provided, however, that the Company shall not exercise such right more than once in any twelve (12)-month period.

The registration statement filed pursuant to the request of the Initiating Holders may, subject to the provisions of Section 2(a)(ii) below, include other securities of the Company that are held by Persons who, by virtue of agreements with the Company, are entitled to include their securities in any such registration ("Other Stockholders"). In the event any Holder requests a registration pursuant to this Section 2(a) in connection with a distribution of Registrable Securities to its partners or members, the registration shall provide for the resale by such partners or members, if requested by such Holder.

(ii) Underwriting. If the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 2(a)(i).

If Other Stockholders request inclusion of their securities in the underwriting, the Holders shall offer to include the securities of such Other Stockholders in the underwriting and may condition such offer on their acceptance of the further applicable provisions of this Section 2. The Holders whose shares are to be included in such registration and the Company shall (together with all

Other Stockholders proposing to distribute their securities through such underwriting) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected for such underwriting by the Initiating Holders and reasonably acceptable to the Company. Notwithstanding any other provision of this Section 2(a), if the representative advises the Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, the representative may limit the number of Registrable Securities to be included in the registration and underwriting in accordance with the Allocation Priority set forth in Section 2(b)(ii); provided that such allocation shall be made in the following manner: (i) first, Pro Rata (as defined below) to Registrable Securities and securities entitled to registration under the Series A Registration Rights Agreement (as defined below), regardless of the number of shares that can be sold without exceeding the Maximum Number of Shares; (ii) second, to securities that the Company desires to sell, and (iii) third, securities for the account of Other Stockholders that the Company is obligated to register pursuant to written contractual arrangements with such persons that can be sold, Pro Rata, in the case of (ii) and (iii) without exceeding the Maximum Number of Shares. If any Holder or Other Stockholder who has requested inclusion in such registration as provided herein disapproves of the terms of the underwriting, such Person may elect to withdraw therefrom by providing written notice to the Company, the underwriter and the Initiating Holders. The securities so withdrawn shall also be withdrawn from registration.

(b) Company Registration.

(i) If the Company shall determine to register any of its equity securities either for its own account or for the account of Other Stockholders, other than a registration relating solely to employee benefit plans, or a registration relating solely to a Rule 145 transaction under the Securities Act, or a registration on any registration form which does not permit secondary sales or does not include substantially the same information as would be required to be included in a registration statement covering the sale of Registrable Securities, the Company will:

(1) promptly give to each of the Holders a written notice thereof (which shall include a list of the jurisdictions in which the Company intends to attempt to qualify such securities under the applicable blue sky or other state securities laws); and

(2) include in such registration (and any related qualification under blue sky laws or other compliance), and in any underwriting involved therein, all the Registrable Securities specified in a written request or requests, made by the Holders within ten (10) days after receipt of the written notice from the Company described in clause (1) above, except to the extent limited as set forth in Section 2(b)(ii) below. Such written request may specify all or a part of the Holders' Registrable Securities. In the event any Holder requests inclusion in a registration pursuant to this Section 2(b) in connection with a distribution of Registrable Securities to its partners or members, the registration shall provide for the resale by such partners or members, if requested by such Holder.

(ii) Underwriting. If the registration of which the Company gives notice is for a registered public offering involving an underwriting, the Company shall so advise each

of the Holders as a part of the written notice given pursuant to Section 2(b)(i)(1) above. In such event, the right of each of the Holders to registration pursuant to this Section 2(b) shall be conditioned upon such Holders' participation in such underwriting and the inclusion of such Holders' Registrable Securities in the underwriting to the extent provided herein. The Holders whose shares are to be included in such registration shall (together with the Company and the Other Stockholders distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected for underwriting by the Company. Notwithstanding any other provision of this Section 2(b), if the representative determines that marketing factors require a limitation on the number of shares to be underwritten, the representative may limit the number of Registrable Securities to be included in the registration and underwriting in accordance with the allocation priority set forth below. The Company shall promptly advise all holders of securities requesting registration of such limitation, and the number of shares of securities that are entitled to be included in the registration and underwriting (the "Maximum Number of Shares") shall be allocated in the following manner: (i) first, the securities that the Company desires to sell, regardless of the number of shares that can be sold without exceeding the Maximum Number of Shares; (ii) second, both (A) the securities entitled to registration under the Registration Rights Agreement, dated \_\_\_\_\_, 200\_, between Appaloosa, [Purchaser] and the Company (the "Series A Registration Rights Agreement") and (B) the Registrable Securities that can be sold, all pro rata in accordance with the number of securities entitled to registration under the Series A Registration Rights Agreement and Registrable Securities, respectively, that each such holder of securities entitled to registration under the Series A Registration Rights Agreement or Holder has requested be included in such registration (such proportion is referred to herein as "Pro Rata"), without exceeding the Maximum Number of Shares; (iii) third, the Registrable Securities that can be sold, Pro Rata, without exceeding the Maximum Number of Shares; and (iv) fourth, to the extent that the Maximum Number of Shares has not been reached under the foregoing clauses, the securities for the account of Other Stockholders that the Company is obligated to register pursuant to written contractual arrangements with such persons that can be sold, Pro Rata, without exceeding the Maximum Number of Shares (the foregoing allocation is referred to herein as the "Allocation Priority"). If any of the Holders or any officer, director or Other Stockholder disapproves of the terms of any such underwriting, he she or it may elect to withdraw therefrom by providing written notice to the Company and the underwriter. Any Registrable Securities or other securities excluded or withdrawn from such underwriting shall be withdrawn from such registration.

(c) Form S-3. The Company shall use its reasonable best efforts to qualify for registration on Form S-3 for secondary sales. After the Company has qualified for the use of Form S-3, the Holders shall have the right to request up to four (4) registrations on Form S-3 (such requests shall be in writing and shall state the number of shares of Registrable Securities to be disposed of and the intended method of disposition of shares by such holders), provided, that the Company shall not be obligated to effect, or take any action to effect, any such registration pursuant to this Section 2(c):

(i) Unless the Holder or Holders requesting registration propose to dispose of shares of Registrable Securities having an aggregate price to the public (before deduction

of Selling Expenses) of more than \$[insert dollar amount equal to 5% of the the total aggregate Series B Purchase Price (as defined in the Investment Agreement) that is paid by all of the Investors under the Investment Agreement for shares of Series B Preferred (as defined in the Investment Agreement)];

(ii) Within one hundred eighty (180) days of the effective date of the most recent registration pursuant to this Section 2(c) in which securities held by the requesting Holder could have been included for sale or distribution;

(iii) In any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, qualification or compliance, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act or applicable rules or regulations thereunder;

(iv) During the period starting with the date thirty (30) days prior to the Company's good faith estimate of the date of filing of, and ending on the date three(3) months immediately following the effective date of, any registration statement pertaining to securities of the Company (other than a registration of securities in a Rule 145 transaction under the Securities Act or with respect to an employee benefit plan); provided, that the Company is actively employing in good faith all reasonable efforts to cause such registration statement to become effective; provided, however, that the Company may only delay an offering pursuant to this Section 2(c)(iv) for a period of not more than thirty (30) days, if a filing of any other registration statement is not made within that period and the Company may only exercise this right once in any twelve (12)-month period; or

(v) If the Company shall furnish to the Holders a certificate signed by the President of the Company stating that in the good faith judgment of the Board of Directors of the Company it would be seriously detrimental to the Company or its stockholders for a registration statement to be filed in the near future, in which case the Company's obligation to use its best efforts to comply with this Section 2(c) shall be deferred for a period not to exceed ninety (90) days from the date of receipt of written request from the Holders; provided, however, that the Company shall not exercise such right more than once in any twelve (12)-month period.

The Company shall give written notice to all Holders of the receipt of a request for registration pursuant to this Section 2(c) and shall provide a reasonable opportunity for other Holders to participate in the registration; provided, that if the registration is for an underwritten offering, the terms of Section 2(a)(ii) above shall apply to all participants in such offering. Subject to the foregoing, the Company will use its reasonable best efforts to effect promptly the registration of all shares of Registrable Securities on Form S-3 to the extent requested by the Holder or Holders thereof for purposes of disposition. In the event any Holder requests a registration pursuant to this Section 2(c) in connection with a distribution of Registrable Securities to its partners or members, the registration shall provide for the resale by such partners or members, if requested by such Holder.

(d) Expenses of Registration. All Registration Expenses incurred in connection with any registration, qualification or compliance pursuant to this Section 2 shall be borne by the Company, and all Selling Expenses shall be borne by the Holders of the securities so registered pro rata on the basis of the number of their shares so registered.

(e) Registration Procedures. In the case of each registration effected by the Company pursuant to this Section 2, the Company will keep the Holders, as applicable, advised in writing as to the initiation of each registration and as to the completion thereof. At its reasonable expense, the Company will:

(i) keep such registration effective for a period of ninety (90) days;

(ii) furnish such number of prospectuses and other documents incident thereto as each of the Holders, as applicable, from time to time may reasonably request;

(iii) notify each Holder of Registrable Securities covered by such registration at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(iv) furnish, on the date that such Registrable Securities are delivered to the underwriters for sale, if such securities are being sold through underwriters or, if such securities are not being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective, (1) an opinion, dated as of such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is reasonably and customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the Holders participating in such registration and (2) a letter, dated as of such date, from the independent certified public accountants of the Company, in form and substance as is reasonably and customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters, if any, and if permitted by applicable accounting standards, to the Holders participating in such registration.

(f) Indemnification.

(i) The Company will indemnify each of the Holders, as applicable, each of its officers, directors and partners and members, and each Person controlling each of the Holders, with respect to each registration which has been effected pursuant to this Section 2, and each underwriter, if any, and each person who controls any underwriter, against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained

in any such registration statement, prospectus, issuer free-writing prospectus, offering circular or other document, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each of such Holders, each of its officers, directors and partners and members, and each Person controlling each of such Holders, each such underwriter and each Person who controls any such underwriter, for any legal and any other expenses reasonably incurred in connection with investigating and defending any such claim, loss, damage, liability or action; provided, that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability or expense arises out of or is based on any untrue statement or omission based upon written information furnished to the Company by the Holders or underwriter and stated to be specifically for use therein; provided, however, that the obligations of the Company to each of the Holders hereunder shall be limited to an amount equal to the net proceeds to such Holder of securities sold in such registration as contemplated herein.

(ii) Each of the Holders will, if Registrable Securities held by it are included in the securities as to which such registration, qualification or compliance is being effected, severally and not jointly, indemnify the Company, each of its directors and officers and each underwriter, if any, of the Company's securities covered by such a registration statement, each Person who controls the Company or such underwriter, each Other Stockholder and each of their respective officers, directors, partners and members, and each Person controlling such Other Stockholder against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any such registration statement, prospectus, issuer free-writing prospectus, offering circular or other document made by such Holder in writing, or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements by such Holder therein not misleading, and will reimburse the Company, the underwriters, and such Other Stockholders, and their respective directors, officers, partners, members, Persons or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement, prospectus, offering circular or other document in reliance upon and in conformity with written information furnished to the Company by such Holder and stated to be specifically for use therein; provided, however, that the obligations of each of the Holders hereunder shall be limited to an amount equal to the net proceeds to such Holder of securities sold in such registration as contemplated herein.

(iii) Each party entitled to indemnification under this Section 2(f) (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom; provided, that counsel for the Indemnifying Party, who shall conduct the defense of such claim or any litigation resulting therefrom, shall be approved by the Indemnified Party

(whose approval shall not unreasonably be withheld) and the Indemnified Party may participate in such defense at such party's expense (unless the Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party in such action, in which case the fees and expenses of counsel shall be at the expense of the Indemnifying Party), and provided further, that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 2(f) unless the Indemnifying Party is materially prejudiced thereby. No Indemnifying Party, in the defense of any such claim or litigation shall, except with the prior written consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation. Each Indemnified Party shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with the defense of such claim and litigation resulting therefrom.

(iv) If the indemnification provided for in this Section 2(f) is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any loss, liability, claim, damage or expense referred to herein, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party hereunder, shall contribute to the amount paid or payable by such Indemnified Party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other in connection with the statements or omissions (or alleged statements or omissions) which resulted in such loss, liability, claim, damage or expense, as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party and of the Indemnified Party shall be determined by reference to, among other things, whether the untrue (or alleged untrue) statement of a material fact or the omission (or alleged omission) to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(v) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with any underwritten public offering contemplated by this Agreement are in conflict with the foregoing provisions, the provisions in such underwriting agreement shall be controlling.

(g) Information by the Holders.

(i) Each of the Holders including securities in any registration shall furnish to the Company such information regarding such Holder and the distribution proposed by such Holder as the Company may reasonably request in writing and as shall be reasonably required in connection with any registration, qualification or compliance referred to in this Section 2.



(ii) In the event that, either immediately prior to or subsequent to the effectiveness of any registration statement, any Holder shall distribute Registrable Securities to its partners or members, such Holder shall so advise the Company and provide such information as shall be necessary to permit an amendment to such registration statement to provide information with respect to such partners or members, as selling security holders. Promptly following receipt of such information, the Company shall file an appropriate amendment to such registration statement reflecting the information so provided. Any incremental expense to the Company resulting from such amendment shall be borne by such Holder.

(h) Rule 144 Reporting.

With a view to making available the benefits of certain rules and regulations of the Commission which may permit the sale of restricted securities to the public without registration, the Company agrees to:

(i) at all times make and keep public information available as those terms are understood and defined in Rule 144 under the Securities Act ("Rule 144");

(ii) use its reasonable best efforts to file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act at any time after it has become subject to such reporting requirements; and

(iii) so long as a Holder owns any Registrable Securities, furnish to such Holder, upon request, a written statement by the Company as to its compliance with the reporting requirements of Rule 144, and of the Securities Act and the Exchange Act, a copy of the most recent annual or quarterly report of the Company, and such other reports and documents so filed as such Holder may reasonably request in availing itself of any rule or regulation of the Commission allowing the Holder to sell any such securities without registration.

(i) Termination. The registration rights set forth in this Section 2 shall not be available to any Holder if, (i) in the written opinion of counsel to the Company, all of the Registrable Securities then owned by such Holder could be sold in any ninety (90)-day period pursuant to Rule 144(k) or are otherwise freely saleable or (ii) all of the Registrable Securities held by such Holder have been sold in a registration pursuant to the Securities Act or pursuant to Rule 144.

(j) The registration rights set forth in this Section 2 may be assigned, in whole or in part, to any transferee of Registrable Securities (who shall be bound by all obligations of this Agreement).

### SECTION 3. INTERPRETATION OF THIS AGREEMENT

(a) Directly or Indirectly. Where any provision in this Agreement refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

#### SECTION 4. MISCELLANEOUS

(a) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State without regard to conflicts of law principles.

(b) Section Headings. The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof.

(c) Notices.

(i) All communications under this Agreement shall be in writing and shall be delivered by hand or facsimile or mailed by overnight courier or by registered or certified mail, postage prepaid:

(1) if to the Company, to Dana Corporation (or the name of the Company), 4500 Dorr Street, Toledo, OH 43615, Attention: General Counsel and Secretary (facsimile: (419) 535-4544), or at such other address or facsimile numbers as it may have furnished in writing to the Holders, with a copy to Jones Day, 222 East 41st Street, New York, New York 10017 (facsimile: (212) 755-7306), Attention: Marilyn W. Sonnie, Esq.

(2) if to the Holders, to the address or facsimile provided on Schedule A, or at such other address or facsimile number as may have been furnished the Company in writing, with a copy to: Appaloosa Management L.P., 26 Main Street, Chatham, NJ 07928, Attention: James Bolin (j.bolin@amplp.com), Fax: (973) 701-7055, and with a copy to White & Case LLP, Wachovia Financial Center, 200 South Biscayne Boulevard, Suite 4900, Miami, Florida 33131-2352, Attention: Thomas E. Lauria (tlauria@whitecase.com) and Gerard Uzzi (guzzi@whitecase.com), Fax: (305) 358-5744/5766, and to White & Case LLP, 1155 Avenue of the Americas, New York, New York 10036, Attention: John Reiss (jreiss@whitecase.com) and Steven Teichman (steichman@whitecase.com), Fax: 212-354-8113.

(ii) Any notice so addressed shall be deemed to be given: if delivered by hand or facsimile, on the date of such delivery; if mailed by overnight courier, on the first business day following the date of such mailing; and if mailed by registered or certified mail, on the third business day after the date of such mailing.

(d) Reproduction of Documents. This Agreement and all documents relating thereto, including, without limitation, any consents, waivers and modifications which may hereafter be executed may be reproduced by the Holders by any photographic, photostatic, microfilm, microcard, miniature photographic or other similar process and the Holders may

destroy any original document so reproduced. The parties hereto agree and stipulate that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by the Holders in the regular course of business) and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

(e) Successors and Assigns; Third Party Beneficiaries. This Agreement shall inure to the benefit of and be binding upon and be enforceable by the successors and assigns of each of the parties. Each Holder is an express third party beneficiary of this Agreement, shall be deemed a party hereto for all purposes hereof, and shall be entitled to enforce the provisions of this Agreement as if a signatory hereto.

(f) Entire Agreement; Amendment and Waiver. This Agreement constitutes the entire understanding of the parties hereto relating to the subject matter hereof and supersedes all prior understandings among such parties. This Agreement may be amended, and the observance of any term of this Agreement may be waived, with (and only with) the written consent of the Company and the Holders holding a majority of the then outstanding Registrable Securities. Any amendment or waiver effected in accordance with this Section 4(f) shall be binding upon each Holder of Registrable Securities then outstanding (whether or not such Holder consented to any such amendment or waiver).

(g) Severability. In the event that any part or parts of this Agreement shall be held illegal or unenforceable by any court or administrative body of competent jurisdiction, such determination shall not affect the remaining provisions of this Agreement which shall remain in full force and effect.

(h) Counterparts. This Agreement may be executed in two or more counterparts (including by facsimile), each of which shall be deemed an original and all of which together shall be considered one and the same agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date first set forth above.

[NEW DANA CORPORATION]

By: -----

Name:

Title:

SCHEDULE A

INVESTORS

[Name of legal entity and trading unit]  
[Address]

Re: In re Dana Corporation, et al., Debtors,  
(Case No. 06-10354 (BRL)), Jointly Administered

Dear Sir or Madam:

On [o], 2007, the above-referenced Debtors filed the Motion of Debtors And Debtors In Possession For Entry Of An Order (A) Approving Settlement Agreements With The United Steel Workers And United Autoworkers, Pursuant To 11 U.S.C. Sections 1113 And 1114(E) And Federal Rule Of Bankruptcy Procedure 9019, And (B) Authorizing The Debtors To Enter Into Plan Support Agreement, Investment Agreement And Related Agreements, Pursuant To 11 U.S.C. Sections 105(A), 363(B), 364(C)(1), 503 And 507, dated [o], 2007 (the "Motion"), which Motion attached thereto, among other things, the Plan Support Agreement and Investment Agreement Term Sheet.(1)

Reference is made to Section 8(f) of the Articles of Serial Designation of 4.0% Series A Convertible Preferred Stock and 4.0% Series B Convertible Preferred Stock setting forth certain restrictions relating to the Qualified Securities, as may be amended from time to time (collectively, the "Shorting Restrictions"). The Debtor hereby agrees to waive and does waive (and Appaloosa shall not and does not object to such waiver) any and all rights to enforce the provisions of the Shorting Restrictions against any Qualified Marketmaker (as defined below) in respect of transactions by such Qualified Marketmaker in respect of Qualified Securities (as defined below) (i) conducted solely in the ordinary course of its broker/dealer or market maker business, (ii) accommodating customer orders, and (iii) not entered into with a view towards establishing directionally biased positions (including without limitation engaging in arbitrage positions with respect to the Preferred Stock (as defined in the Investment Agreement)) for the proprietary account of such Qualified Marketmaker, whether in a proprietary trading unit or otherwise, provided however that so long as the business unit to which this letter is addressed maintains the confidentiality of all non-public information relating to the Debtor that is now in, or in the future comes into, its possession, using the same standard of confidentiality [name of legal entity] uses to maintain the confidentiality of its own confidential information, other proprietary business units of [name of legal entity] shall not be subject to the provisions of Section 8(f) unless such unit otherwise acquires shares of the 4.0% Series A Convertible Preferred Stock and 4.0% Series B Convertible Preferred Stock.

For these purposes, a Qualified Marketmaker means an entity that (i) holds itself out to the public as standing ready in the ordinary course of its business to purchase from customers and sell to customers Qualified Securities (or to enter with customers into long and short positions in derivative contracts that reference Qualified Securities), in its capacity as a dealer or market

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(1) Unless otherwise defined herein, all capitalized terms shall have the meaning set forth in the Motion.

maker in such Qualified Securities, (ii) in fact regularly makes a two-way market in such Qualified Securities, and (iii) consistently has filed its U.S. federal income tax returns on the basis that such business constituted a securities dealer business within the scope of section 475(a) of the Internal Revenue Code of 1986, as amended. An entity that is under common control with or controlled by a Qualified Marketmaker shall be considered a Qualified Marketmaker for purposes of this waiver (and the limitations to this waiver expressly provided herein) to the extent it satisfies conditions (i) and (ii) of the preceding sentence.

For these purposes, the term "Qualified Securities" means (i) New Common Stock (as defined in the Investment Agreement Term Sheet) and (ii) options, forward contracts, swaps or other derivative contracts that require the delivery of such securities, or that require the payment of money determined by reference to the value or yield of such securities.

The signatories hereby represent that they are duly authorized by their respective institutions to execute this agreement.

Please acknowledge your acceptance of the above referenced waiver by executing and signing below. By doing so, you hereby represent to the undersigned, to the best of your knowledge, that such business unit is, as of the date hereof, the only entity, division or unit of [name of legal entity] that holds claims

against the Debtor in a proprietary capacity.

Appaloosa Management L.P.

By: \_\_\_\_\_

Name:

Title:

Dana Corporation

By: \_\_\_\_\_

Name:

Title:

Acknowledged and Accepted:

[Trading unit and name of legal entity]

By: \_\_\_\_\_

Name:

Title: