

EXHIBIT B

[Plan Term Sheet]

EXHIBIT B TO AMENDED PLAN SUPPORT AGREEMENT

IN RE DANA CORPORATION, ET AL.

**CRITICAL ELEMENTS TO BE INCLUDED IN A
PLAN OF REORGANIZATION**

This Term Sheet summarizes certain of the principal terms and conditions of a chapter 11 plan of reorganization (the “Plan”) of Dana Corporation (“Dana”) and its debtor subsidiaries (each, a “Debtor” and, collectively, the “Debtors”) to be proposed by the Debtors in the Debtors’ chapter 11 cases pending in the United States Bankruptcy Court for the Southern District of New York as an integral part of the resolution and settlement of (a) the proceedings under 11 U.S.C. §§ 1113 and 1114 between (i) the Debtors and, respectively, (ii) the United Steelworkers (“USW”) and (iii) the International Union, UAW (“UAW”); and (b) all other issues among the Debtors and each of the USW and the UAW (the “Global Settlement”).

This Term Sheet is attached as Exhibit A to a plan support agreement (as it may be amended from time to time, the “PSA”) among (a) the Debtors, (b) the Unions (as defined below), (c) Centerbridge Capital Partners, L.P. (“Centerbridge”) and (d) certain supporting unsecured creditors (the “Supporting Creditors”). In the PSA, the Unions agree to support, and will commit to not oppose, a Plan that includes the terms and conditions set forth in this Term Sheet. Upon execution of the PSA, this Term Sheet is intended to be binding on the signatories of the PSA in accordance with the terms of the PSA, which will be subject to Bankruptcy Court approval. Notwithstanding the foregoing, this Term Sheet remains subject to, among other things, (a) resolution of any terms or items set forth herein that are bracketed or indicated as “to be determined;” (b) acceptable definitive documentation of all matters contemplated herein, including the Plan and any agreements specifically contemplated in this Term Sheet; and (c) the fiduciary duties of the Debtors. No vote in favor of any Plan is being solicited by or agreed to by this Term Sheet.

Notwithstanding anything to the contrary set forth herein, this Term Sheet is being provided as part of settlement discussions and, therefore, shall be treated as such pursuant to Federal Rule of Evidence 408 and all bankruptcy and state law equivalents until such time as it is final and fully executed.

1. Certain Defined Terms

Ad Hoc Steering Committee

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

Bondholders

Means, collectively, the holders of: (i) the \$150 million of 6.5% unsecured notes due March 15, 2008; (ii) the \$350 million of 6.5% unsecured notes due on March 1, 2009; (iii) the \$250 million of

10.125% unsecured notes due on March 15, 2010; (iv) the \$575 million of 9.0% unsecured notes due August 15, 2011; (v) the €200 million of 9% unsecured notes due August 15, 2011; (vi) the \$450 million of 5.85% unsecured notes due on January 15, 2015; (vii) the \$200 million of 7.0% unsecured notes due on March 15, 2028; and (viii) the \$400 million of 7.0% unsecured notes due on March 1, 2029.

Consolidated Debtors

[To be defined]

Creditors' Committee

Means the Official Committee of Unsecured Creditors appointed in the Debtors' chapter 11 cases, as such committee may be constituted from time to time.

DB Plan

Means a defined benefit pension plan covering employees that are represented by the USW or the UAW.

DIP Facility

Means the Debtors' existing debtor-in-possession credit facility, subject to any amendment thereto.

Effective Date

Means a day, as determined by the Debtors and that is reasonably acceptable to Centerbridge, that is the business day as soon as reasonably practicable after all conditions to the Effective Date in the Plan have been met or waived.

Emergence Liquidity

Means, as of the Effective Date, the sum of (i) cash and cash equivalents of the Debtors and their subsidiaries and (ii) unused commitments under the Exit Facility after giving effect to all cash distributions to be made on the Effective Date pursuant to the Plan.

Excess Distributable Cash

Means cash of the Reorganized Debtors in excess of the minimum cash required to operate the business on the Effective Date and thereafter.

Exit Facility

Means a senior secured financing facility to be entered into on the Effective Date by and among the Reorganized Debtors and the lenders party thereto, as determined prior to emergence through a competitive financing process run by the Debtors' financial advisor and investment banker, Miller Buckfire & Co., LLC, subject to the covenant set forth below.

Invalidation Clauses

Means subclause (C) or (E) in the definition of Qualified Investor in the Investment Agreement.

Investment Agreement

Means that certain Investment Agreement, dated as of July __, 2007, between Centerbridge , CBP Parts Acquisition Co. LLC, a newly formed Delaware limited liability company (the "Purchaser"), and Dana which, among other things, sets forth the terms for the proposed investment in the Reorganized Company by Centerbridge and its affiliates and other potential investors, which will be attached as Exhibit

B to the PSA.

<u>Non-Core Businesses</u>	Means those businesses to be specified by the Debtors and disclosed in confidence to the Unions, the Creditors' Committee and Centerbridge. The Company represents that it has previously identified to the Unions those Non-Core Businesses that include UAW or USW represented facilities. Subject to any prepayment requirements set forth in the DIP Facility, proceeds from the sale of Non-Core Businesses will be used to fund operations or distributions under the Plan.
<u>Qualified Investor</u>	Has the meaning given to it in the Investment Agreement.
<u>Reorganized Company</u>	Means the Reorganized Debtors and their nondebtor subsidiaries.
<u>Reorganized Debtors</u>	Means the Debtors, or any successor thereto, on or after the Effective Date of the Plan.
<u>Union Consent</u>	Unless otherwise expressly agreed, "Union Consent" shall mean the agreement of the respective International President of the UAW or USW (or any designee of such officer).
<u>Unions</u>	Means the authorized representatives of the USW and the UAW.
<u>Union Settlement Agreements</u>	Means the settlement agreements reached by and among the Debtors and each of the Unions as of July 5, 2007, as amended.
<u>Unsecured Claims</u>	Means unsecured nonpriority claims other than (i) convenience class claims, (ii) asbestos personal injury claims and (iii) any claims of the non-union retirees represented by the Official Committee of Non-Union Retirees.
<u>Unsecured Creditors</u>	Means the holders of Unsecured Claims against the Consolidated Debtors.

2. New Investment

<u>New Investment</u>	On the Effective Date, there shall be an investment made in the Reorganized Company as described in the Investment Agreement.
<u>Process</u>	The order approving the Global Settlement shall contain provisions for a process (the " <u>Process</u> ") acceptable to the Debtors, the Unions, Centerbridge and the Creditors' Committee under which persons or entities who have submitted a bona fide expression of interest for an Alternative Investment, Alternative Majority Investment, Alternative Transaction or Alternative Stand-Alone Plan (each as defined in the Investment Agreement and each, an " <u>Alternative Proposal</u> "): (i) 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 executed by Appaloosa Management L.P. (an “Acceptable Confidentiality Agreement”); and (ii) would be authorized to submit simultaneously to the Debtors and the Creditors’ Committee a definitive Alternative Proposal on or before _____, 2007. The Debtors will keep the Creditors’ Committee and the Ad Hoc Steering Committee informed of all Alternative Proposals and, if the Company chooses to proceed with an Alternative Proposal, the Debtors agree that they will amend any plan of reorganization that may then be filed with the Bankruptcy Court to incorporate such Alternative Proposal; and the Unions, Centerbridge and the Ad Hoc Bondholders’ Committee agree (and the Creditors’ Committee will agree on the record at the July 26, 2007 hearing) that they will not (i) construe any such amendment as a “new” plan such that the Debtors would lose their exclusive rights to file or solicit acceptances to such plan, as amended, or (ii) take any other action or make any other suggestion in any forum to limit or terminate such exclusive rights of the Debtors. In all events, each Union shall retain its rights under Appendix R to its respective Settlement Agreement, as modified to: (i) provide that the counsel for the Creditors’ Committee will be co-counsel with the Debtors in any mediation/arbitration proceeding under Appendix R to the Union Settlement Agreements; (ii) establish an objective standard by which the mediator/arbitrator is to determine whether the Unions acted reasonably in withholding their consent to an alternative transaction; (iii) identify an arbitrator that is acceptable to the Debtors, the Unions and the Creditors’ Committee; and (iv) limit the Union’s due diligence and the arbitration period to four weeks in the aggregate.

Nothing herein relieves the Debtors of their obligations under the Investment Agreement.

3. Termination Events

Termination Events The Investment Agreement and the Union Settlement Agreements shall each contain certain specified termination events and remedies therefor.

4. Certain Emergence Covenants and Other Terms

Leverage Limitation The total amount of funded debt at emergence shall not exceed \$1.5 billion.

Minimum Emergence Liquidity Upon emergence, the Reorganized Debtors’ Minimum Emergence Liquidity will be reasonably acceptable to the Unions and Centerbridge.

<u>Exit Facility</u>	The Debtors shall obtain an Exit Facility upon emergence to, among other things, refinance the DIP Facility, provide liquidity through short-term borrowings for working capital and general corporate purposes, and permit the issuance of letters of credit. The Exit Facility will be with parties and on market terms reasonably acceptable to Centerbridge; provided, that the Debtors shall have the obligation to consult with Centerbridge regarding such terms and parties.
<u>Union Settlement Agreement Obligations</u>	The Plan will conform to the Union Settlement Agreements in terms of providing reasonable certainty, acceptable to the Debtors and the Unions, as to the source and the amount of cash required to meet the Debtors' cash payment obligations as set forth in the Union Settlement Agreements. The Plan shall provide for the Unions' Claim as described in the Union Settlement Agreements.
<u>Treatment of Unsecured Creditors</u>	Unsecured Creditors will receive, on account of their allowed Unsecured Claims, their <i>pro rata</i> portion of shares of common stock of the Reorganized Company (" <u>New Common Stock</u> ") and/or Excess Distributable Cash if it is determined that Excess Distributable Cash is available. In addition, Unsecured Creditors that are not Qualified Investors (but not including creditors that were Qualified Investors but ceased to be so as of the Record Date as a result of the operation of the Invalidation Clauses) (collectively, the " <u>Non-Eligible Unsecured Creditors</u> ") will receive an amount of cash and/or New Common Stock that is (i) determined to be reasonably acceptable to the Debtors, Centerbridge and the Supporting Creditors and (ii) approved by the Bankruptcy Court. Distributions to the Unions shall be governed by the terms of the Union Settlement Agreements.
<u>Initial Management</u>	The Plan shall contain a process whereby the individuals who are expected to serve on the New Board shall negotiate, in consultation with Centerbridge, employment agreements with the senior management team which shall be market employment agreements in form and substance reasonably acceptable to Centerbridge, which employment agreements will be subject to approval by the Board of Directors of the Reorganized Company on the Effective Date. Centerbridge will apprise the Ad Hoc Steering Committee with respect to such employment agreements.
<u>Tax Attributes To Be Preserved</u>	Unless otherwise agreed by the New Investor, the Debtors and the Ad Hoc Steering Committee, the investments under the Plan, as well as any relevant Plan provisions, will be structured so as to preserve the ability of the Debtors and the Reorganized Debtors to qualify for tax benefits available under IRC section 382(1)(6).
<u>No Sale of Core Businesses Prior to Emergence</u>	Except for the sale of the Non-Core Businesses and in addition to any requirements, or consents required by the lenders, under the DIP Facility, the Debtors will not sell any business line within the Automotive Systems Group or the Commercial Vehicles Group prior to the Effective Date

without Union Consent or the consent of Centerbridge.

Successorship and
Sales Post
Emergence

The Debtors will emerge from chapter 11 with their businesses other than the Non-Core Businesses (the “Core Businesses”) intact. Limitations on the Reorganized Debtors’ ability to sell, transfer or distribute substantially all of the stock or assets of any of the Core Businesses shall be addressed, if at all, in the Union Settlement Agreement and related individual collective bargaining agreements.

Outside Effective
Date

The PSA and this Term Sheet shall expire and be of no further effect if the Plan fails to become effective on or before May 1, 2008 (the “Outside Effective Date”).

Unsecured Claim
Condition to
Effective Date

It shall be a condition to the occurrence of the Effective Date of the Plan that the total amount of allowed Unsecured Claims (excluding any claims of the Unions) shall not exceed \$3.25 billion; provided, however, that this condition may be waived by the Unsecured 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.

Union VEBAs

The Plan will provide that consideration will be paid into separate, Union-specific voluntary employees’ benefit associations to be established pursuant to the Union Settlement Agreements in the amount set forth therein and that, upon such funding, the Debtors shall have no further obligation (whether ongoing or by claims against their estates) for the provision of non-pension benefits to UAW and USW retirees.

LTD Claims

The claims, if any, of the members of the UAW or the USW that are receiving Long Term Disability shall be deemed settled (in accordance with the applicable Union Settlement Agreement) and shall not be entitled to vote to accept or reject the Plan due to the provisions for funding the Union VEBAs on account of such claims set forth in the Union Settlement Agreements.

Acceptance and
Rejection
Provisions

Other than as set forth herein, the Plan will contain customary provisions regarding the acceptance of the Plan by impaired and unimpaired classes and the deemed rejection by certain classes.

Cramdown

To the extent that any impaired class rejects the Plan or is deemed to have rejected the Plan, the Debtors reserve the right to seek, and the Unions, the Ad Hoc Steering Committee and Centerbridge agree to support, confirmation of the Plan under 11 U.S.C. § 1129(b).

Defined Benefit
Pension Plans

The Plan will not provide for or be conditioned upon the distress termination of any DB Plan pursuant to section 4041(c) of ERISA, 29 U.S.C. § 1341(c), nor shall the Debtors (or any Plan sponsored by the

Debtors) seek a standard termination of any DB Plan. In addition, the Debtors agree to oppose any involuntary termination sought pursuant to Section 4042 of ERISA, 29 U.S.C. § 1342 of any DB Plan.

Collective
Bargaining
Agreements

The Plan will provide for the (i) assumption by the Debtors of the new collective bargaining agreements to be entered by the Debtors and the UAW or USW as contemplated by the Union Settlement Agreement 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 UAW Local 771; (f) Longview, TX UAW Local [TBD]; (g) Lima, OH – UAW Local 1765; (h) Elizabethtown, KY – UAW Local 3047; and (i) Pottstown, PA – UAW Local 644; (ii) the assumption of the respective Neutrality Agreements as contemplated by the Union Settlement Agreements, and (iii) the assumption of any and all other related agreements necessary to effect the Union Settlement Agreements.

New Board

The Board of Directors of the Reorganized Company shall be as set forth in the Investment Agreement.