

<div>Form 5500</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Annual Return/Report of Employee Benefit Plan</div> <div>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).</div> <div>Complete all entries in accordance with the instructions to the Form 5500.</div>	<div>OMB Nos. 1210-0110 1210-0089</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009	
A	This return/report is for: <div><div>☐ a multiemployer plan;</div><div>☒ a single-employer plan;</div><div>☐ a multiple-employer plan; or</div><div>☐ a DFE (specify) _____</div></div>
B	This return/report is: <div><div>☐ the first return/report;</div><div>☐ the final return/report;</div><div>☐ an amended return/report;</div><div>☐ a short plan year return/report (less than 12 months).</div></div>
C	If the plan is a collectively-bargained plan, check here. ☐
D	Check box if filing under: <div><div>☒ Form 5558;</div><div>☐ automatic extension;</div><div>☐ the DFVC program;</div><div>☐ special extension (enter description)</div></div>

Part II	Basic Plan Information—enter all requested information
1a	Name of plan AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN
1b	Three-digit plan number (PN) ▶ 006
1c	Effective date of plan 01/01/2001
2a	Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) AMERICAN AXLE & MANUFACTURING, INC. ONE DAUCH DRIVE DETROIT, MI 48211-1198
2b	Employer Identification Number (EIN) 38-3138388
2c	Sponsor's telephone number 313-758-2000
2d	Business code (see instructions) 336300

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2010	TERRI M. KEMP
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2010	MICHAEL K. SIMONTE
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") AMERICAN AXLE & MANUFACTURING, INC. ONE DAUCH DRIVE DETROIT, MI 48211-1198	3b Administrator's EIN 38-3138388 3c Administrator's telephone number 313-758-2000
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN	
	4c PN	
5 Total number of participants at the beginning of the plan year	5	578
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	369
b Retired or separated participants receiving benefits.....	6b	7
c Other retired or separated participants entitled to future benefits.....	6c	127
d Subtotal. Add lines 6a , 6b , and 6c	6d	503
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	
f Total. Add lines 6d and 6e	6f	503
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	21
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1C 1G

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	(1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☐ **A** (Insurance Information)
 (4) ☐ **C** (Service Provider Information)
 (5) ☒ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>006</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>AMERICAN AXLE & MANUFACTURING, INC.</u>	D Employer Identification Number (EIN) <u>38-3138388</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☐ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2009</u>
2	Assets:
a	Market value 2a <u>1765229</u>
b	Actuarial value 2b <u>1941752</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>7</u> <u>69159</u>
b	For terminated vested participants 3b <u>96</u> <u>506550</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>88120</u>
(2)	Vested benefits 3c(2) <u>1723349</u>
(3)	Total active 3c(3) <u>475</u> <u>1811469</u>
d	Total 3d <u>578</u> <u>2387178</u>
4	If the plan is at-risk, check the box and complete items (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>8.03</u> %
6	Target normal cost 6 <u>124383</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>10/11/2010</u>
Signature of actuary	Date
<u>ROBERT M. O'KEEFE</u>	
Type or print name of actuary	Most recent enrollment number
<u>TOWERS WATSON PENNSYLVANIA, INC.</u>	<u>248-936-7700</u>
Firm name	Telephone number (including area code)
<u>28411 NORTHWESTERN HWY, SUITE 500</u> <u>SOUTHFIELD, MI 48034</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	1253741	
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	120171	
9	Amount remaining (Item 7 minus item 8).....	1133570	
10	Interest on item 9 using prior year's actual return of <u>-36.20</u> %	-410352	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		
b	Interest on (a) using prior year's effective rate of <u>6.37</u> %		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance.....		
12	Reduction in balances due to elections or deemed elections.....	693175	
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	30043	

Part III Funding percentages			
14	Funding target attainment percentage.....	14	80.08 %
15	Adjusted funding target attainment percentage.....	15	80.08 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	126.14 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2009	31000				
10/15/2009	35000				
12/31/2009	100000				
03/30/2010	541314				
			Totals ►	18(b)	707314
				18(c)	

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	491819
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	155846
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No	
c If 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	124383
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	332238	58955
b Waiver amortization installment		
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	183338
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	30043	30043
36 Additional cash requirement (item 34 minus item 35).....	36	153295
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	155846
38 Interest-adjusted excess contributions for current year (see instructions).....	38	2551
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	
40 Unpaid minimum required contribution for all years	40	

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN	B Three-digit plan number (PN) ►	006
C Plan sponsor's name as shown on line 2a of Form 5500 AMERICAN AXLE & MANUFACTURING, INC.	D Employer Identification Number (EIN) 38-3138388	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	173000	
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	1599585	1336047
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	1772585	1336047

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	4586	393
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	4586	393

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1767999	1335654
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	166000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		166000

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		185324
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		351324

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	783669	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		783669
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		783669

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-432345
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **GEORGE JOHNSON & COMPANY**

(2) EIN: **38-2029668**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

<div>SCHEDULE R (Form 5500) <div>Department of the Treasury Internal Revenue Service</div><div>Department of Labor Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div>		<div>Retirement Plan Information</div> <div>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009					
<div>A Name of plan</div> <div>AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN</div>				<div>B Three-digit plan number (PN) ►</div> <div>006</div>	
<div>C Plan sponsor's name as shown on line 2a of Form 5500</div> <div>AMERICAN AXLE & MANUFACTURING, INC.</div>				<div>D Employer Identification Number (EIN)</div> <div>38-3138388</div>	
<div>Part I Distributions</div> <div>All references to distributions relate only to payments of benefits during the plan year.</div> <div>1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....<div>1</div></div> <div>2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</div> <div>3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....<div>3</div>58</div>					
<div>Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)</div> <div>4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....<div>☐ Yes ☒ No ☐ N/A</div><div>If the plan is a defined benefit plan, go to line 8.</div></div> <div>5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</div> <div>6<div>a Enter the minimum required contribution for this plan year<div>6a</div></div><div>b Enter the amount contributed by the employer to the plan for this plan year<div>6b</div></div><div>c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....<div>6c</div></div><div>If you completed line 6c, skip lines 8 and 9.</div></div> <div>7 Will the minimum funding amount reported on line 6c be met by the funding deadline?<div>☐ Yes ☐ No ☐ N/A</div></div> <div>8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....<div>☐ Yes ☐ No ☒ N/A</div></div>					
<div>Part III Amendments</div> <div>9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....<div>☐ Increase ☐ Decrease ☒ Both ☐ No</div></div>					
<div>Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.</div> <div>10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....<div>☐ Yes ☐ No</div></div> <div>11<div>a Does the ESOP hold any preferred stock?<div>☐ Yes ☐ No</div></div><div>b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)<div>☐ Yes ☐ No</div></div></div> <div>12 Does the ESOP hold any stock that is not readily tradable on an established securities market?<div>☐ Yes ☐ No</div></div>					
<div>For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.</div> <div>Schedule R (Form 5500) 2009 v.092308.1</div>					

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

AMERICAN AXLE &
MANUFACTURING,
INC. AND AFFILIATED
CORPORATION SALARIED
CASH BALANCE
PENSION PLAN

FINANCIAL STATEMENTS

December 31, 2009 and 2008

**George Johnson
& Company**

**AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED
CORPORATION SALARIED CASH BALANCE PENSION PLAN**

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George Johnson & Company

1200 Buhl Building • 535 Griswold Street • Detroit, Michigan 48226-3689
(313) 965-2655 • Fax (313) 965-4614

INDEPENDENT AUDITORS' REPORT

October 13, 2010

To the Participants and Plan Administrator
American Axle & Manufacturing, Inc. and Affiliated Corporation
Salaried Cash Balance Pension Plan
Detroit, Michigan

We were engaged to audit the accompanying statements of net assets available for benefits of the American Axle & Manufacturing, Inc. and Affiliated Corporation Salaried Cash Balance Pension Plan (the "Plan") as of December 31, 2009 and 2008, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by SEI Private Trust Company, the trustee and custodian of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certifications from the trustee as of, and for the years ended, December 31, 2009 and 2008 that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements taken as a whole. The form and content of the information included in the financial statements, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.


CERTIFIED PUBLIC ACCOUNTANTS

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
ASSETS:		
Investments, at fair value (Notes 2 and 4):		
Value of interest in American Axle & Manufacturing, Inc. Defined Benefit Plan Master Trust	\$ 1,336,047	\$ 1,599,585
Employer contribution receivable	<u>-</u>	<u>173,000</u>
Total Assets	1,336,047	1,772,585
LIABILITIES:		
Accrued administrative expenses	<u>393</u>	<u>4,586</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 1,335,654</u></u>	<u><u>\$ 1,767,999</u></u>

See accompanying notes to financial statements.

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS YEARS ENDED DECEMBER 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
ADDITIONS:		
Employer contributions	\$ 166,000	\$ 173,000
Interest income	43,557	75,063
Net appreciation in fair value of investment in American Axle & Manufacturing, Inc. Defined Benefit Plan Master Trust (Note 4)	<u>180,613</u>	<u>-</u>
Total Additions	<u>390,170</u>	<u>248,063</u>
DEDUCTIONS:		
Net depreciation in fair value of investment in American Axle & Manufacturing, Inc. Defined Benefit Plan Master Trust (Note 4)	-	1,208,007
Benefits paid to participants	783,669	786,977
Administrative expenses	<u>38,846</u>	<u>42,536</u>
Total Deductions	<u>822,515</u>	<u>2,037,520</u>
CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS	(432,345)	(1,789,457)
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	<u>1,767,999</u>	<u>3,557,456</u>
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	<u><u>\$ 1,335,654</u></u>	<u><u>\$ 1,767,999</u></u>

See accompanying notes to financial statements.

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2009 and 2008

1. DESCRIPTION OF THE PLAN

The American Axle & Manufacturing, Inc. and Affiliated Corporation Salaried Cash Balance Pension Plan (the “Plan”) is a defined benefit plan, established as of January 1, 2001 and restated effective January 1, 2008, which covers all salaried employees of American Axle & Manufacturing, Inc. (the “Company”) hired after December 31, 2001, as well as salaried employees of the Company’s subsidiaries, Colfor Manufacturing, Inc. (“Colfor”) and MSP Industries Corporation (“MSP”). The Plan provides pension benefits. The Company has agreed to contribute such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to plan members.

The Plan provides for retirement benefits in either a lump-sum benefit or a monthly lifetime benefit. For salaried employees hired after December 31, 2001, this monthly lifetime benefit is equal to the participant’s cash balance account. For salaried employees of Colfor and MSP, the monthly lifetime benefit is the greater of the participant’s cash balance account or \$22, multiplied by credited service earned after April 1, 1999. The Company pays the entire cost of the pension plan.

Participants are vested after earning three years of credited service. Employees may retire at age 55 with five years of service. Employees at least age 65 are automatically vested. Eligibility for benefits will be determined based on total credited service with the Company.

The accrued benefit is a monthly single-life annuity at normal retirement date, equal to the greater of: (i) the actuarial equivalent of the participant’s projected cash balance account at normal retirement date, or (ii) the participant’s minimum benefit.

As of the date an employee becomes a participant, a hypothetical account is established. On January 1 of each year, an amount is credited to a participant’s account equal to a percentage of the participant’s base salary for the prior plan year. The applicable percentage is based on contribution points, as follows:

American Axle & Manufacturing, Inc.		Colfor and MSP	
Participant’s Contribution Points	Percentage of Base Salary Allocated	Participant’s Contribution Points	Percentage of Base Salary Allocated
Less than 40 points	2.5%	Less than 50 points	1.5%
40 to 59 points	3.0%	50 to 69 points	2.0%
60 to 79 points	4.0%	70 to 89 points	2.5%
80 points or more	5.0%	90 points or more	3.0%

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

1. DESCRIPTION OF THE PLAN (CONTINUED)

A participant receives one age point for each year of age he or she has on the date of calculation, and he or she receives one service point for each year of employment service he or she has at the date of calculation. The participant's contribution points are the sum of his or her age and service points on that date. For Colfor and MSP participants, the minimum benefit is \$22, multiplied by the participant's years of benefit service.

At the end of each calendar quarter, the participant's account is credited with one quarter of the Ten-Year Treasury Constant Maturity rate effective at the beginning of the plan year.

Upon termination of employment, pay-based credits cease, but interest-based credits continue to be earned. Upon benefit commencement, interest-based credits also cease.

Opening account balances for Colfor and MSP participants as of January 1, 2001 were set equal to the product of the following:

- (i) The participant's base salary for December 2000
- (ii) The participant's benefit service as of January 1, 2001
- (iii) The participant's contribution percentage, based on his or her contribution points on January 1, 2001

The Plan was amended for salaried employees of the Company effective December 31, 2006. Under the amended Plan, employees of the Company hired after December 31, 2006, or who were not active participants in the Plan as of December 31, 2006, will not be eligible to participate in the Plan. For active participants of the Company in the Plan, benefits were frozen on December 31, 2006 under the amended Plan.

The Plan has been amended effective December 31, 2009. Benefits were frozen on December 31, 2009 under the amended Plan for employees of MSP and Colfor.

Effective June 13, 2008, the Plan was amended to provide for supplemental payments to be paid from the trust to certain eligible associates who have elected to participate in the Voluntary Salaried Retirement Incentive Program ("VSRIP"). Supplemental payments were paid in 2008 and 2009 to five participants who elected to participate in the VSRIP, ranging from \$35,000 to \$50,000, depending on the eligible participant's age and credited service.

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

1. DESCRIPTION OF THE PLAN (CONTINUED)

The Plan has met the minimum funding requirements of the Employee Retirement Income Security Act of 1974, as amended. The Company has the right under the Plan to discontinue such contributions at any time and to amend or terminate the Plan, consistent with applicable law.

The Company may amend, modify, suspend or terminate the Plan. No amendment, modification, suspension or termination of the Plan shall have the effect of providing that any amounts then held under the Plan may be used or diverted to any purpose other than for the exclusive benefit of members or their beneficiaries.

Should the Plan terminate at some future time, its net assets will generally not be available on a pro-rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation ("PBGC") at the time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guarantee, while other benefits may not be provided for at all.

The foregoing description of the Plan provides only general information. Participants should refer to the summary plan description for a more complete representation of the Plan's provisions. Copies of the summary plan description are available from the Company's human resources department.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General - The financial statements of the Plan are presented on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Valuation of Investments - Investments in the American Axle & Manufacturing, Inc. Defined Benefit Plan Master Trust (the "Master Trust") are stated at fair value. The shares of registered investment companies and units of money market funds are valued at quoted market prices that represent the asset value of the shares or units held by the Master Trust at year-end. Investments in hedge funds are stated at fair unit value; the fair values for the underlying investments held by these funds are based on quoted market prices where available or as determined in good faith by the investment advisors. Investments traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the average of the last reported bid and ask prices.

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements - The Plan uses fair value measurements in the preparation of its financial statements, which utilize various inputs, including those that can be readily observable, corroborated or are generally unobservable. The Plan utilizes market-based data and valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Additionally, the Plan applies assumptions that market participants would use in pricing an asset or liability, including assumptions about risk.

The measurement of fair value includes a hierarchy based on the quality of inputs used to measure fair value. Financial assets and liabilities are categorized into this three-level fair value hierarchy based on the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs.

The various levels of the fair value hierarchy are described as follows:

- Level 1 - Financial assets and liabilities whose values are based on unadjusted quoted market prices for identical assets and liabilities in an active market that the Plan has the ability to access
- Level 2 - Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable for substantially the full term of the asset or liability
- Level 3 - Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement

The use of observable market data, when available, is required in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement.

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and accumulated plan benefits at the date of the financial statements and the reported amounts of increases or decreases in net assets available for benefits and accumulated plan benefits during the reporting period. Actual results could differ from those estimates. The Master Trust invests in various securities, including registered investment companies and hedge funds. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Actuarial Present Value of Accumulated Plan Benefits - Accumulated plan benefits (see Note 3) are those estimated future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to: (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries. Benefits for retired or terminated employees or their beneficiaries are based on various plan benefit formulas, as defined in the Plan document, depending upon the date of the retirement, death or termination of employment. Benefits payable under all circumstances (retirement, death, disability and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

Subsequent Events - The Plan's management has evaluated subsequent events through October 13, 2010, the date that the accompanying financial statements were available to be issued.

3. ACCUMULATED PLAN BENEFITS

The Plan's actuary, Towers Watson, estimates the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements, such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

3. ACCUMULATED PLAN BENEFITS (CONTINUED)

The accumulated plan benefit information as of January 1, 2009 and 2008 is as follows:

	<u>2009</u>	<u>2008</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS:		
Vested benefits for active participants	\$ 2,710,064	\$ 1,731,463
Nonvested benefits	<u>103,652</u>	<u>975,720</u>
 TOTAL ACCUMULATED PLAN BENEFITS	 <u><u>\$ 2,813,716</u></u>	 <u><u>\$ 2,707,183</u></u>

Changes in the actuarial present value of accumulated plan benefits for the year ended January 1, 2009 are as follows:

INCREASE (DECREASE) IN ACCUMULATED PLAN BENEFITS ATTRIBUTABLE TO:	
Benefits accumulated	\$ 759,048
Interest due to decrease in discount period	149,630
Changes in actuarial assumptions	(15,168)
Benefits paid	<u>(786,977)</u>
 NET INCREASE IN ACCUMULATED PLAN BENEFITS	 106,533
 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS, JANUARY 1, 2008	 <u>2,707,183</u>
 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS, JANUARY 1, 2009	 <u><u>\$ 2,813,716</u></u>

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

3. ACCUMULATED PLAN BENEFITS (CONTINUED)

The more significant assumptions underlying the actuarial valuations are as follows:

Actuarial cost method:	
Funding purposes	Projected unit credit
Accumulated plan benefits	Unit credit
Weighted average discount rate for the	2009 - 6.50%
present value of accumulated plan benefits	2008 - 6.45%
Mortality basis	RP 2000 with white collar adjustments projected 15 years with scale AA
Employee turnover	A moderate rate
Retirement	A graduated scale

These actuarial assumptions were based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The actuarial present value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates and employee compensation and demographics. Due to the nature of these assumptions and the uncertainties inherent in setting these assumptions, it is at least reasonably possible that changes in the near term to these assumptions would be material to the financial statements.

4. INVESTMENTS AND FAIR VALUE (UNAUDITED)

The following is a summary of unaudited information regarding the Plan and the Master Trust, included in the Plan's financial statements, that was prepared by SEI Private Trust Company ("SEI"), the Plan's trustee and custodian. The Plan administrator has obtained certifications from the trustee that such information is complete and accurate.

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

4. INVESTMENTS AND FAIR VALUE (UNAUDITED) (CONTINUED)

Assets certified by SEI as of December 31, 2009 and 2008 are as follows:

	<u>2009</u>	<u>2008</u>
CERTIFIED ASSETS:		
Investments, at fair value:		
Value of interest in Master Trust	<u>\$ 1,336,047</u>	<u>\$ 1,599,585</u>

Investment income/(loss) for the years ended December 31, 2009 and 2008 is as follows:

	<u>2009</u>	<u>2008</u>
Interest income	\$ 43,557	\$ 75,063
Net appreciation/(depreciation) in fair value of investment in Master Trust	<u>180,613</u>	<u>(1,208,007)</u>
	<u>\$ 224,170</u>	<u>\$(1,132,944)</u>

The investment assets of the following plans are included in the Master Trust:

- American Axle & Manufacturing, Inc. Hourly-Rate Associates Pension Plan
- American Axle & Manufacturing, Inc. Retirement Program for Salaried Employees
- American Axle & Manufacturing, Inc. and Affiliated Corporation Salaried Cash Balance Pension Plan
- Colfor Manufacturing, Inc. United Automobile, Aerospace, and Agricultural Implement Workers of America Local 4199 Pension Plan
- MSP Industries Corporation United Automobile, Aerospace, and Agricultural Implement Workers of America Local 9699 Pension Plan

Earnings, market adjustments, trustee fees, and expenses relating to investment transactions of the Master Trust are allocated to the participating plans based on each plan's beneficial interest in the trust assets. The Master Trust constitutes a single investment account as defined in the Master Trust reporting and disclosure rules and regulations of the U.S. Department of Labor.

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

4. INVESTMENTS AND FAIR VALUE (UNAUDITED) (CONTINUED)

The Master Trust's fair value hierarchy for those assets measured at fair value on a recurring basis as of December 31, 2009 and 2008 is summarized as follows:

Fair Value Measurements				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
2009				
ASSETS:				
Investments, at fair value:				
Investments in registered investment companies:				
Equity funds	\$ 143,002,094	\$ -	\$ -	\$ 143,002,094
Bond funds	94,546,818			94,546,818
Income funds	956,894			956,894
	<u>238,505,806</u>	<u>-</u>	<u>-</u>	<u>238,505,806</u>
Money market funds		9,358,912		9,358,912
Cash and cash equivalents	65,000			65,000
Hedge funds			35,354,468	35,354,468
	<u>238,570,806</u>	<u>9,358,912</u>	<u>35,354,468</u>	<u>283,284,186</u>
Total Investments	238,570,806	9,358,912	35,354,468	283,284,186
Interest and income receivable	<u>439,077</u>			<u>439,077</u>
TOTAL ASSETS	<u>\$ 239,009,883</u>	<u>\$ 9,358,912</u>	<u>\$ 35,354,468</u>	<u>\$ 283,723,263</u>

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

4. INVESTMENTS AND FAIR VALUE (UNAUDITED) (CONTINUED)

	Fair Value Measurements			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
2008				
ASSETS:				
Investments, at fair value:				
Investments in registered investment companies:				
Equity funds	\$ 143,849,943	\$ -	\$ -	\$ 143,849,943
Bond funds	42,835,483			42,835,483
Income funds	36,891,216			36,891,216
	223,576,642	-	-	223,576,642
Money market funds		321,103		321,103
Cash and cash equivalents	12,023,000			12,023,000
Hedge funds			13,493,887	13,493,887
Total Investments	235,599,642	321,103	13,493,887	249,414,632
Interest and income receivable	440,873			440,873
TOTAL ASSETS	\$ 236,040,515	\$ 321,103	\$ 13,493,887	\$ 249,855,505

Additional information about the Master Trust's investments as of December 31, 2008 has been provided in accordance with the provisions of Financial Accounting Standards Board ("FASB") Staff Position No. FAS 157-4, "Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly," which is now incorporated in *FASB Accounting Standards Codification*TM 820-10.

The Plan's interest in the Master Trust as of December 31, 2009 and 2008 is as follows:

	2009	2008
Plan's Approximate Percentage Interest in Master Trust Assets	0.47%	0.64%

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

4. INVESTMENTS AND FAIR VALUE (UNAUDITED) (CONTINUED)

The changes in the Master Trust assets for the years ended December 31, 2009 and 2008 are summarized as follows:

	<u>2009</u>	<u>2008</u>
ADDITIONS:		
Contributions from participating plans	\$ 20,712,338	\$ 120,772
Interest income	8,792,876	9,625,815
Net appreciation in fair value of investments	<u>40,097,132</u>	<u>-</u>
Total Additions	<u>69,602,346</u>	<u>9,746,587</u>
DEDUCTIONS:		
Net depreciation in fair value of investments	-	123,898,961
Benefits paid to participants	32,840,021	55,655,821
Administrative expenses	<u>2,894,567</u>	<u>1,835,699</u>
Total Deductions	<u>35,734,588</u>	<u>181,390,481</u>
NET CHANGE	33,867,758	(171,643,894)
ASSETS, BEGINNING OF YEAR	<u>249,855,505</u>	<u>421,499,399</u>
ASSETS, END OF YEAR	<u><u>\$ 283,723,263</u></u>	<u><u>\$ 249,855,505</u></u>

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

4. INVESTMENTS AND FAIR VALUE (UNAUDITED) (CONTINUED)

For the years ended December 31, 2009 and 2008, the Master Trust's investments (including gains and losses on investments bought and sold, as well as held, during the years) appreciated/(depreciated) in value as follows:

	<u>2009</u>	<u>2008</u>
Investments in registered investment companies	\$ 38,621,151	\$(120,846,848)
Hedge funds	<u>1,475,981</u>	<u>(3,052,113)</u>
Net Appreciation/ (Depreciation) in Value	<u>\$ 40,097,132</u>	<u>\$(123,898,961)</u>

As of December 31, 2009 and 2008, the Master Trust held the following investments with various parties-in-interest:

	<u>2009</u>	<u>2008</u>
Investments managed by SEI:		
Investments in registered investment companies	\$ 238,505,806	\$ 223,576,642
Money market funds	9,358,912	321,103
Hedge funds	<u>35,354,468</u>	<u>13,493,887</u>
	<u>\$ 283,219,186</u>	<u>\$ 237,391,632</u>

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

4. INVESTMENTS AND FAIR VALUE (UNAUDITED) (CONTINUED)

The fair value reconciliation of the Master Trust's Level 3 assets that are measured at fair value on a recurring basis for the years ended December 31, 2009 and 2008 is as follows:

	Hedge Funds	
	2009	2008
CHANGES IN LEVEL 3 ASSETS:		
Net realized and unrealized gains (losses)	\$ 1,475,981	\$ (3,052,113)
Purchases, issuances, and settlements	20,384,600	16,546,000
CHANGE IN LEVEL 3 ASSETS	21,860,581	13,493,887
BALANCE, BEGINNING OF YEAR	13,493,887	-
BALANCE, END OF YEAR	<u>\$ 35,354,468</u>	<u>\$ 13,493,887</u>
Net gains (losses) for the year included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held as of December 31	<u>\$ 1,475,981</u>	<u>\$ (3,052,113)</u>

5. TRANSACTIONS WITH PARTIES-IN-INTEREST

Fees for accounting, legal and trustee services were paid by the Plan. The fees paid for services rendered by parties-in-interest were based on customary and reasonable rates for such services.

Certain investments held by the Master Trust as of December 31, 2009 and 2008 have been managed by the Plan's trustee. Such investments fall within the investment guidelines of the Plan and Master Trust and are considered parties-in-interest. See Note 4 for investments held by the Master Trust with various parties-in-interest.

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2009 and 2008

6. INCOME TAX STATUS

The Plan obtained its latest determination letter on December 8, 2009, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter.

In 2010, the Plan's management identified certain administrative errors made in calculating participant benefit payments. The net impact of these errors is an overpayment of approximately \$25,000 to participants. These errors contributed to the Plan's October 1, 2009 adjusted funding target attainment percentage being at a level which may have required the Plan to impose certain restrictions on lump-sum distributions, which would have resulted in an additional overpayment of approximately \$125,000 to participants. The Plan's legal counsel has applied for relief under the Employee Plans Compliance Resolution System.

Aside from these matters, the Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Plan Provisions — Cash Balance

Effective Date January 1, 2001

Restated: January 1, 2002 – Amended June 13, 2008, Amended on 10/15/2009 for freeze at December 31, 2009.

Employees Covered Any Salaried employee of Colfor Manufacturing, Inc., or MSP Team, LLC hired before January 1, 2010 and any Salaried employee of American Axle & Manufacturing, Inc. hired on or after January 1, 2002 and before January 1, 2007.

Plan Year Calendar year

Date of Participation An employee shall become a Participant on the date he or she first performs an Hour of Service for the Corporation (American Axle & Manufacturing, Inc., Colfor Manufacturing, Inc. and MSP Team LLC) as a covered employee.

Definitions

Benefit Service Commencing on the date the employee first performs an Hour of Service but excluding Service:

- (1) (a) In the case of Colfor and MSP participants, prior to April 1, 1999
- (1) (b) In the case of AAM participants, prior to January 1, 2002
- (2) While not a salaried employee
- (3) With an affiliated or predecessor employer
- (4) Subsequent to the employee's layoff or termination of employment

Service after January 1, 2007 for AAM participants and after January 1, 2010 for Colfor and MSP participants will be counted for vesting purposes and determining eligibility for early retirement.

Base Salary A Participant's salary paid for a work week of not more than 40 hours exclusive of overtime, bonuses, differentials, deferred compensation and any other miscellaneous payments, determined as of January 1 of the Plan Year in question. If the Participant did not become a salaried employee until after January 1, the salary is determined as of the date he or she first became a salaried employee that Plan Year, multiplied by the fraction of the year that the employee worked in the given Plan Year.

Actuarial Equivalence (lump sums) The Actuarial equivalent lump sum present value of a Participant's Accrued Benefit shall be computed using the applicable mortality table and the applicable interest rate. The applicable mortality table is the IRS Prescribed Mortality for the Plan Year during which the Participant's annuity starting date occurs and the applicable interest rate is the 3-segment corporate-bond rate basis under PPA for the month of November proceeding the first day of the Plan Year during which the Participant's annuity starting date occurs.

Normal Retirement Date The first day of the month coincident with or next following attainment of age 65.

Early Retirement Date The first day of the month coincident with or next following attainment of age 55 and 5 Years of Service.

Disability Retirement Date The first day of the month coincident with or next following the date a Participant retires by reason of disability after completion of 5 Years of Service.

Benefit Formula The accrued benefit is a monthly single life annuity at Normal Retirement Date, equal to the greater of (A) the Actuarial Equivalent of the Participant's projected Cash Balance Account at Normal Retirement Date or (B) the Participant's Minimum Benefit.

(A) Cash Balance Account

As of the date an employee becomes a Participant, a hypothetical account is established. On January 1 of each year, an amount is credited to a Participant's account equal to a percentage of the Participant's Base Salary for the prior Plan Year. Contribution credits cease for AAM participants effective January 1, 2007 and for Colfor and MSP participants effective January 1, 2010. The applicable percentage is based on Contribution Points, as follows:

Colfor and MSP Participants – Pre January 1, 2010 (Post January 1, 2010 is 0%)

<u>Participant's Contribution Points</u>	<u>Percent of Base Salary Allocated</u>
Less than 50 points	1.5%
50 to 69 points	2.0%
70 to 89 points	2.5%
90 points or more	3.0%

American Axle Participants – Pre January 1, 2007 (Post January 1, 2007 is 0%)

<u>Participant's Contribution Points</u>	<u>Percent of Base Salary Allocated</u>
Less than 40 points	2.5%
40 to 59 points	3.0%
60 to 79 points	4.0%
80 points or more	5.0%

A Participant receives one age point for each year of age he or she has attained on the date of calculation, and he or she receives one service point for each year of benefit service he or she has attained at the date of calculation, and for Colfor and MSP participants, one service point for each year of benefit service prior to April 1, 1999. The Participant's contribution points are the sum of his or her age and service points on that date.

At the end of each calendar quarter, the Participant's account is credited with one quarter of the Ten Year Treasury Constant Maturity rate effective at the beginning of the Plan Year. Interest credits continue after January 1, 2007 for AAM participants and after January 1, 2010 for Colfor and MSP participants.

Upon termination of employment, pay-based credits cease, but interest-based credits continue to be earned. Upon benefit commencement, interest based credits also cease.

Opening account balances for Participants as of January 1, 2001, were set equal to the product of:

- (i) Participant's Base Salary for December 2000
- (ii) Participants Benefit Service as of January 1, 2001
- (iii) Participant's Contribution Percentage based on his or her Contribution Points on January 1, 2001
- (B) Minimum Benefit
\$22 multiplied by the Participant's years of Benefit Service credited while an eligible employee of Colfor or MSP.

Benefits at Retirement

- | | |
|------------------------------------|---|
| Normal Retirement | <ul style="list-style-type: none">▪ Eligibility: Termination of employment on Normal Retirement Date.▪ Benefit: The Accrued Benefit determined at Normal Retirement Date. |
| Early Retirement | <ul style="list-style-type: none">▪ Eligibility: Termination of employment after completion of 5 Years of Service and attainment of age 55, but before Normal Retirement Date.▪ Benefit: The Accrued Benefit at date of early retirement, reduced 6.0% for each year that early commencement precedes age 65. |
| Postponed Retirement | <ul style="list-style-type: none">▪ Eligibility: Termination of employment after Normal Retirement Date.▪ Benefit: The Accrued Benefit determined at Postponed Retirement Date. |
| Deferred Vested Retirement | <ul style="list-style-type: none">▪ Eligibility: Termination of employment after completion of three Years of Service and before eligibility for retirement. Previously a five-year requirement before the Pension Protection Act.▪ Benefit: The full Accrued Benefit is payable at age 65. A Participant entitled to a Deferred Vested Benefit may elect commencement of his or her benefits, either in the form of a lump sum distribution or in the form of a reduced annuity, at the attainment of age 55. Reductions for commencement of retirement annuities before age 65 consistent with the Early Retirement section above. |
| Early Retirement Window Retirement | <ul style="list-style-type: none">▪ An Early Retirement Window called the VSRIP (Voluntary Salaried Retirement Incentive Program) was offered to AAM participants in 2008 and 2009. Participants received up to three years (two in 2009) of age and/or service as needed to attain retirement eligibility. Participants who did not need additional age or service to attain retirement eligibility received a \$50,000 cash balance account addition, while those participants who did need additional age or service to attain retirement eligibility received a \$35,000 cash balance account addition. |

Preretirement Surviving

Spouse's Benefit

- Eligibility: Married Participants who die after having completed three Years of Service and before having commenced benefits.
- Benefit: The Preretirement Death Benefit shall be the Actuarial Equivalent of the Participant's Cash Balance Account; provided, the Participant's spouse is his or her Beneficiary. The benefit payable to the spouse shall not be less than:
 - (i) If the Participant dies after age 55, the spouse's interest under a 50% Qualified J&S Annuity.
 - (ii) If the Participant dies before age 55, the spouse's interest as though the Participant terminated on date of death (if actively employed when died), survived to age 55, retired electing a 50% Qualified J&S Annuity, then died the next day.

Normal Form of Payment

Single Participants and Participants Married less than 1 year: Straight Life Annuity.
All other: 50% Joint and Survivor Annuity. The benefit payable to the Participant is 93% of the Accrued Benefit otherwise payable, if the Participant and spouse are within 5 years of age. If the age difference is greater than 5 years, the reduction shall be the actuarial equivalent of the Straight Life Annuity form of payment, computed using the Uninsured Pensioner's Mortality Table of 1994 and an interest rate assumption of 8%.

Alternate Forms of Payment

- Lump Sum: as an alternative to the normal payment forms, participants are permitted to receive the actuarial equivalent of their accrued benefits as a lump sum distribution.
- 75% Joint and Survivor Annuity. The benefit payable to the Participant is 90% of the Accrued Benefit otherwise payable, if the participant and spouse are within five years of age. If the age difference is greater than five years, the reduction shall be the actuarial equivalent of the Straight Life Annuity form of payment, computed using the Uninsured Pensioner's Mortality Table of 1994 and an interest rate assumption of 8%.

Maximum Benefit

No benefit payable to a Participant can exceed the IRC Section 415 limit for the plan year.

American Axle & Manufacturing Inc.
American Axle & Manufacturing Inc. & Affiliated Corporation Salaried Cash Balance Plan
EIN: 38-3138388
PLAN: 006
Attachment to the 2009 Plan Year Form 5500 Schedule SB, Part V – Summary of Plan Provisions

Plan Changes Since Prior Valuation	The plan has been amended for an early retirement window (the Voluntary Salaried Retirement Incentive Program, VSRIP) in 2008 and 2009 and has been amended to freeze benefit accruals for Colfor and MSP participants effective January 1, 2010.
---------------------------------------	---

Funding Purposes: The 2008 window is reflected in the January 1, 2009 valuation. The 2009 window, 2009 layoffs, and December 31, 2009 plan freeze are not reflected in the January 1, 2009 valuation but will be reflected in the January 1, 2010 valuation.

AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED
CORPORATION SALARIED CASH BALANCE PENSION PLAN
(Federal Employer Identification Number: 38-3138388; Plan Number: 006)

STATEMENT ON ASSETS HELD AT END OF YEAR
(Form 5500, Schedule H, Item 4i)

December 31, 2009

All of the Plan's investments as of December 31, 2009 are held in the American Axle & Manufacturing, Inc. Defined Benefit Plan Master Trust.

American Axle & Manufacturing, Inc.
American Axle & Manufacturing, Inc. & Affiliated Corporation Salaried Cash Balance Pension Plan
EIN: 38-3138388
PN: 006
Plan Year: 2009
Attachment to 2009 Plan Year Form 5500 Schedule SB, Line 26 - Schedule of Active Participant Data

AAM & AFFILIATED CORP. SALARIED CASH BALANCE PENSION PLAN

ANALYSIS OF ACTIVE (GRANDFATHERED AND NON-GRANDFATHERED) PARTICIPANT DATA AS OF 01/01/2009

Attained Age	Total Years of Credited Service										Total
	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	Over 39	
Under 25	4	1	0	0	0	0	0	0	0	0	5
25 to 29	23	43	6	0	0	0	0	0	0	0	72
30 to 34	14	55	8	0	0	0	0	0	0	0	77
35 to 39	20	70	16	0	0	0	0	0	0	0	106
40 to 44	7	41	23	0	0	0	0	0	0	0	71
45 to 49	8	40	20	0	0	0	0	0	0	0	68
50 to 54	5	22	9	0	0	0	0	0	0	0	36
55 to 59	4	19	6	0	0	0	0	0	0	0	29
60 to 64	2	7	2	0	0	0	0	0	0	0	11
65 to 69	0	0	0	0	0	0	0	0	0	0	0
Over 70	0	0	0	0	0	0	0	0	0	0	0
Total	87	298	90	0	0	0	0	0	0	0	475

Average Age = 40.2

Average Service = 3.4

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rates:

- ▶ Applicable month
- ▶ Yield curve basis
- ▶ Transition from current liability rates

November 2008 (based on rates during
October 2008)

Full yield curve
No

Sample Funding Interest Rates from the Full Yield Curve

- ▶ 10-year rate 8.81%
- ▶ 20-year rate 8.22%
- ▶ 30-year rate 7.50%

Annual rates of increase:

- ▶ Salaries 3.75%
- ▶ Future Social Security wage bases 3.00%
- ▶ Statutory limits on compensation and benefits N/A
- ▶ Cash Balance interest crediting rate 5.00%

Demographic and Other Assumptions

Demographic Assumptions

Cash Balance

Funding IRS Prescribed Mortality Non-Annuitant: RP 2000 projected to 2024 using Scale AA (male and female)
Annuitant: RP 2000 projected to 2016 using Scale AA (male and female)

Disabled Mortality Funding: same as nondisabled mortality

Termination Rates that vary by age and service. Sample rates per 100 Participants are as follows:

<i>Age at Entry</i>	<i>Service</i>			
	<u>0</u>	<u>1</u>	<u>5</u>	<u>10</u>
22	19.9	11.1	11.2	0.0
27	17.9	9.0	10.3	3.4
32	19.4	9.0	8.1	3.1
37	19.3	8.8	7.7	2.2
42	18.3	8.0	6.5	1.3
47	20.2	8.0	5.9	0.9
52	16.3	7.5	5.3	0.7

Cash Balance

Disability Rates varying by age. Sample annual rates per 100 Participants are as follows:

<u>Age</u>	<u>Male</u>	<u>Female</u>
25	0.05	0.06
40	0.14	0.20
55	0.96	0.85

Retirement Rates that vary by age. Sample annual rates of retirement per 100 Participants are as follows:

<u>Age</u>	<u>Rates</u>
50	0
55	2
60	10
62	30
65	100

Form of Payment 90% elect lump sum; 10% elect annuity. (Survivorship option if married; life annuity otherwise.)

Percent Married 85.0% males; 40.0% females. 100.0% of married males and 50.0% of married females electing an annuity elect J&S coverage

Spouses Age Wives 3 years younger than husband

Actuarial Methods

Contributions:

- | | |
|---|---|
| <ul style="list-style-type: none">▪ Funding Target Normal Cost and Funding Target

▪ Actuarial value of assets | <p>Unit credit</p>

<p>Smoothed Value of Assets: Average of market values (adjusted for contributions, benefit/expense payments, and expected investment returns) as of valuation date and prior two valuation dates.</p>

<p>All benefits described in the summary of plan provisions section were valued.</p> |
|---|---|

Change in Assumptions and Methods Since Prior Valuation

Contributions	The yield curve used for the funding valuation changed from January 2008 to November 2008 based on yields in October 2008. Salary scale for pay related plans was changed from 4.50% to 3.75%.
Mortality	The healthy mortality used for contribution purposes was changed from the IRS 2008 mortality (Non-Annuitant: RP 2000 projected to 2023 and Annuitant: RP 2000 projected to 2015) to IRS 2009 Mortality (Non-Annuitant: RP 2000 projected to 2024 using scale AA (male and female) and Annuitant: RP 2000 projected to 2016).
Data Sources	<p>Towers Watson used asset data supplied by the trustee. American Axle furnished participant data. American Axle furnished the dates and amounts of the 2008 contributions that will be paid in 2009, and accrued pension cost as of December 31, 2008. Data were reviewed for reasonableness and consistency, but no audit was performed. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.</p> <p>Demographic information came from a participant census as of January 1, 2009.</p>

American Axle & Manufacturing, Inc.
 American Axle & Manufacturing, Inc. & Affiliated Corporation Salaried Cash Balance Pension Plan
 EIN: 38-3138388
 PN: 006
 Plan Year: 2009

Form 5500 Schedule SB, Line 32 - Schedule of Amortization Bases

	Date of Base Creation	Initial Amount	Amortization Installment	Remaining Period	PV of Future Installments
Shortfall Amortization Bases					
2009 Shortfall	1/1/2009	332,238	58,955	7	332,238
Total Shortfall Amortization Installments			58,955		332,238

AMERICAN AXLE & MANUFACTURING, INC.

**American Axle & Manufacturing, Inc. and Affiliated Corporation Salaried Cash
Balance Pension Plan**

2009 Plan Year Form 5500 Schedule SB Line 25 – Change in Method

EIN: 38-3138388
Plan Number: 006

Below is a summary of significant changes that were made in the method of computation:

- The actuarial value of assets was changed from the fair market value of assets to average of market values (adjusted for contributions, benefit/expense payments, and expected investment returns) as of the valuation date and prior two valuation dates.
- The funding interest rate was changed from the IRS-prescribed one-month average yield curve based on bond yields in the capital markets during the preceding December to the IRS-prescribed one-month average yield curve based on bond yields in the capital market during the preceding October.
- Estimated plan expenses are now included in the target normal cost.
- The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

AMERICAN AXLE & MANUFACTURING, INC.
American Axle & Manufacturing, Inc. and Affiliated Corporation Salaried Cash
Balance Pension Plan
2009 Plan Year Form 5500 Schedule SB Line 24 – Change in Actuarial
Assumptions

EIN: 38-3138388
Plan Number: 006

Below is a summary of significant changes to the actuarial assumptions:

- Salary Scale – The salary scale was changed from 4.50% in 2008 to 3.75% in 2009 to better reflect expected future pay increases.

Plan Sponsor: American Axle & Manufacturing, Inc.
 American Axle & Manufacturing, Inc. and Affiliated Corporation
Plan Name: Salaried Cash Balance Pension Plan
EIN: 38-3138388
Plan No.: 006
Plan Year: 2009

Attachment to the 2009 Plan Year Form 5500 Schedule SB, line 22 - Description of Weighted Average Retirement Age

A fixed population and the retirement rates described in the attached Actuarial Assumptions and Methods were used to project the number of retirements per year for ages 55 through 65. Retirement age was calculated by taking the weighted average of retirements by age, as shown below:

Age	Active Count	Retirement Rate	Number of Expected Retirements	Number of Expected Retirements x Age
55	1000	0.02	20	1,100
56	980	0.02	20	1,120
57	960	0.02	19	1,083
58	941	0.02	19	1,102
59	922	0.02	18	1,062
60	904	0.10	90	5,400
61	814	0.20	163	9,943
62	651	0.30	195	12,090
63	456	0.20	91	5,733
64	365	0.15	55	3,520
65	310	1.00	310	20,150
<i>Total:</i>				62,303
<i>Weighted Average:</i>				62

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2009**This Form is Open to Public
Inspection**

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan AAM & Affiliated Corp. Cash Balance Pension Plan	B Three-digit plan number (PN) ▶ 006
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF American Axle & Manufacturing, Inc.	D Employer Identification Number (EIN) 38-3138388
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2009</u>		
2 Assets:		
a Market value.....	2a	1,765,229
b Actuarial value.....	2b	1,941,752
3 Funding target/participant count breakdown	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a 7	69,159
b For terminated vested participants.....	3b 96	506,550
c For active participants:		
(1) Non-vested benefits.....	3c(1)	88,120
(2) Vested benefits.....	3c(2)	1,723,349
(3) Total active.....	3c(3) 475	1,811,469
d Total.....	3d 578	2,387,178
4 If the plan is at-risk, check the box and complete items (a) and (b)..... ☐		
a Funding target disregarding prescribed at-risk assumptions.....	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor.....	4b	
5 Effective interest rate.....	5	8.03 %
6 Target normal cost.....	6	124,383

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN
HERE**

Robert M. O'Keefe



10/11/2010

Signature of actuary

Date

ROBERT M. O'KEEFE

08-03350

Type or print name of actuary

Most recent enrollment number

TOWERS WATSON PENNSYLVANIA INC.

(248) 936-7700

28411 NORTHWESTERN HWY, SUITE 500

Telephone number (including area code)

SOUTHFIELD

MI 48034

Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	1,253,741	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	120,171	0
9 Amount remaining (Item 7 minus item 8)	1,133,570	0
10 Interest on item 9 using prior year's actual return of <u>(36.20)</u> %	(410,352)	
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		0
b Interest on (a) using prior year's effective rate of <u>6.37</u> %		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Reduction in balances due to elections or deemed elections	693,175	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	30,043	0

Part III Funding percentages

14 Funding target attainment percentage	14	80.08 %
15 Adjusted funding target attainment percentage	15	80.08 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	126.14 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2009	31,000				
10/15/2009	35,000				
12/31/2009	100,000				
03/30/2010	541,314				
Totals ▶			18(b)	707,314	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	491,819
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	155,846

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year				
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th	
0	0	0	0	0

Part V Assumptions used to determine funding target and target normal cost**21** Discount rate:**a** Segment rates:

1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
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b Applicable month (enter code) **21b** 2**22** Weighted average retirement age **22** 62**23** Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute**Part VI Miscellaneous Items****24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**27** If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment. **27****Part VII Reconciliation of unpaid minimum required contributions for prior years****28** Unpaid minimum required contribution for all prior years **28** 0**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a) **29** 0**30** Remaining amount of unpaid minimum required contributions (item 28 minus item 29) **30** 0**Part VIII Minimum required contribution for current year****31** Target normal cost, adjusted, if applicable (see instructions) **31** 124,383

Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		332,238	58,955
b Waiver amortization installment		0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33****34** Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33) **34** 183,338

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement	30,043	0	30,043

36 Additional cash requirement (item 34 minus item 35) **36** 153,295**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c) **37** 155,846**38** Interest-adjusted excess contributions for current year (see instructions) **38** 2,551**39** Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37) **39** 0**40** Unpaid minimum required contribution for all years **40** 0