

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan 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). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2009 This Form is Open to Public Inspection
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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:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan AMERICAN AXLE & MANUFACTURING, INC. RETIREMENT PROGRAM FOR SALARIED EMPLOYEES 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	1b Three-digit plan number (PN) ►	002	
	1c Effective date of plan	03/01/1994	
	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	1641
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	401
b Retired or separated participants receiving benefits.....	6b	546
c Other retired or separated participants entitled to future benefits.....	6c	655
d Subtotal. Add lines 6a , 6b , and 6c	6d	1602
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	32
f Total. Add lines 6d and 6e	6f	1634
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	
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:
 1A 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. RETIREMENT PROGRAM FOR SALARIED EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>002</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>87178734</u>	
b Actuarial value	2b <u>95896607</u>	
3 Funding target/participant count breakdown		
	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>494</u>	<u>43591648</u>
b For terminated vested participants	3b <u>540</u>	<u>8903028</u>
c For active participants:		
(1) Non-vested benefits	3c(1)	<u>4871510</u>
(2) Vested benefits	3c(2)	<u>26386047</u>
(3) Total active	3c(3) <u>607</u>	<u>31257557</u>
d Total	3d <u>1641</u>	<u>83752233</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>7.99 %</u>
6 Target normal cost	6	<u>1926900</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)	27219453	
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	2639688	
9	Amount remaining (Item 7 minus item 8).....	24579765	
10	Interest on item 9 using prior year's actual return of <u>-16.99</u> %	-4176102	
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.....		
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	20403663	

Part III		Funding percentages	
14	Funding target attainment percentage.....	14	90.14 %
15	Adjusted funding target attainment percentage.....	15	114.50 %
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	113.00 %
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
01/09/2009		8413	08/06/2009		5794
02/09/2009		8826	09/09/2009		5876
03/09/2009		8828	10/06/2009		5550
04/07/2009		8834	11/12/2009		5555
06/05/2009		17146	12/10/2009		5529
07/08/2009		7987			
			Totals ►	18(b)	18(c) 88338

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
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c
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	1926900
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment		
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	1926900
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	1926900	1926900
36 Additional cash requirement (item 34 minus item 35).....	36	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	
38 Interest-adjusted excess contributions for current year (see instructions).....	38	
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	

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	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		
A Name of plan AMERICAN AXLE & MANUFACTURING, INC. RETIREMENT PROGRAM FOR SALARIED EMPLOYEES	B Three-digit plan number (PN) ►	002
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 AMERICAN AXLE & MANUFACTURING, INC.	D Employer Identification Number (EIN) 38-3138388	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)		
a Name of MTIA, CCT, PSA, or 103-12 IE: AMERICAN AXLE MASTER TRUST			
b Name of sponsor of entity listed in (a): AMERICAN AXLE & MANUFACTURING, INC.			
c EIN-PN 38-3163614-001	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 96560750	
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 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)	
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 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)	

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
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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
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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
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
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
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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. RETIREMENT PROGRAM FOR SALARIED EMPLOYEES	B Three-digit plan number (PN) ▶	002
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)		
(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)	87178734	96560750
(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	87178734	96560750

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	14240	2070
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	14240	2070

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	87164494	96558680
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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)		
(B) Participants	2a(1)(B)	88338	
(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)		88338

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)		17084092
(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		17172430

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	7778244	
(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)		7778244
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		7778244

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		9394186
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		8595
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)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information 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). ▶ File as an attachment to Form 5500.	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

A Name of plan <u>AMERICAN AXLE & MANUFACTURING, INC. RETIREMENT PROGRAM FOR SALARIED EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>AMERICAN AXLE & MANUFACTURING, INC.</u>	D Employer Identification Number (EIN) <u>38-3138388</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
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.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3 <u>0</u>

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)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
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.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
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).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
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?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
-----------------	-------------------

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.....	☒ Increase	☐ Decrease	☐ Both	☐ No
--	--	-----------------------------------	-------------------------------	-----------------------------

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.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
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.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2009
v.092308.1

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: 58.0% Investment-Grade Debt: 0.0% High-Yield Debt: 0.0% Real Estate: 0.0% Other: 42.0%

- 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. RETIREMENT
PROGRAM FOR
SALARIED EMPLOYEES

FINANCIAL STATEMENTS

December 31, 2009 and 2008

**AMERICAN AXLE & MANUFACTURING, INC.
RETIREMENT PROGRAM FOR SALARIED EMPLOYEES**

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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. Retirement Program for Salaried Employees
Detroit, Michigan

We were engaged to audit the accompanying statements of net assets available for benefits of the American Axle & Manufacturing, Inc. Retirement Program for Salaried Employees (the "Plan") as of December 31, 2009 and 2008, the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedule of delinquent participant contributions for the year ended December 31, 2009. These financial statements and supplemental schedule 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 and supplemental schedule. 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 express, and do not express, an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, 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.
RETIREMENT PROGRAM FOR SALARIED EMPLOYEES**

**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	\$ 96,560,750	\$ 87,178,734
LIABILITIES:		
Accrued administrative expenses	<u>2,070</u>	<u>14,240</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 96,558,680</u></u>	<u><u>\$ 87,164,494</u></u>

See accompanying notes to financial statements.

**AMERICAN AXLE & MANUFACTURING, INC.
RETIREMENT PROGRAM FOR SALARIED EMPLOYEES**

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

	<u>2009</u>	<u>2008</u>
ADDITIONS:		
Participant contributions	\$ 88,338	\$ 120,772
Interest income	3,156,887	3,253,525
Net appreciation in fair value of investment in American Axle & Manufacturing, Inc. Defined Benefit Plan Master Trust (Note 4)	<u>14,252,201</u>	<u>-</u>
Total Additions	<u>17,497,426</u>	<u>3,374,297</u>
DEDUCTIONS:		
Net depreciation in fair value of investment in American Axle & Manufacturing, Inc. Defined Benefit Plan Master Trust (Note 4)	-	21,482,599
Benefits paid to participants	7,778,244	5,747,671
Administrative expenses	<u>324,996</u>	<u>298,264</u>
Total Deductions	<u>8,103,240</u>	<u>27,528,534</u>
CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS	9,394,186	(24,154,237)
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	<u>87,164,494</u>	<u>111,318,731</u>
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	<u><u>\$ 96,558,680</u></u>	<u><u>\$ 87,164,494</u></u>

See accompanying notes to financial statements.

AMERICAN AXLE & MANUFACTURING, INC.

RETIREMENT PROGRAM FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2009 and 2008

1. DESCRIPTION OF THE PLAN

The American Axle & Manufacturing, Inc. Retirement Program for Salaried Employees (the “Plan”) is a defined benefit plan, established as of March 1, 1994 and restated effective January 1, 2008, which covers all salaried employees of American Axle & Manufacturing, Inc. (the “Company”) hired before January 1, 2002. The Plan provides for pension, disability, and death 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 a retirement benefit that is calculated in two parts (referred to as “Parts A and B”). The Part A benefit is noncontributory and consists of basic benefits and three types of supplements payable to salaried associates of General Motors Corporation (“GM”) hired before 1988 (“pre-88 associates”). The Company pays the entire cost of Part A of the retirement program. The basic benefit is a monthly benefit determined by a flat dollar rate multiplied by years of credited service. Currently, the basic benefit provides a monthly lifetime benefit of up to \$51.65 for every year of credited service earned after February 28, 1994. The first supplement is a temporary supplement which is paid only to disability retirements, with a 30-year maximum for credited service. This supplement is paid to retirees until age 62 and one month or, if earlier, when the employee becomes eligible for Social Security disability benefits. The second supplement is an early retirement supplement for those pre-88 associates who retire with at least 30 years of credited service. This supplement is paid to age 62 and one month if a retiree is under age 62 at retirement. The third supplement is an interim supplement for pre-88 early voluntary retirees who are between age 55 and 59, have less than 30 years of credited service at retirement, and have at least 85 “points” by adding together the age and service of the employee or pre-88 early voluntary retirees who are age 55 and have at least 10 years of service. This supplement is paid to retirees until age 62 and one month if a retiree is under age 62 at retirement.

The Part B benefit is optional and requires employee contributions, which are combined with the Company contributions for enhanced benefits. Part B provides primary benefits and supplementary benefits. Employees are eligible to contribute to Part B after they have six months of service and attained at least age 21. Each employee participating in Part B for primary benefits will contribute 1.25% of his or her monthly base salary in excess of \$3,400. The primary benefit is based on employee contributions. The monthly lifetime benefit is 8.33% of the sum of all such employees’ contributions through retirement. The supplementary benefits payable under Part B are based on each participant’s final five-year average salary. Currently, the monthly benefit payment equals 1.00% of the employee’s average monthly base salary in excess of \$5,165.

AMERICAN AXLE & MANUFACTURING, INC.

RETIREMENT PROGRAM FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2009 and 2008

1. DESCRIPTION OF THE PLAN (CONTINUED)

Participants are vested after earning five years of credited service. Employees hired by GM prior to 1988 may retire at any age with 30 or more years of credited service, or between the ages of 55 and 59 with age plus credited service equaling at least 85 “points.” Employees with 10 or more years of credited service may retire at any age prior to age 65 in the case of total and permanent disability or with 10 or more years of credited service and attainment of age 55. Employees at least age 65 are automatically vested.

The Plan has been amended, effective December 31, 2006. Under the amended Plan, benefits for active participants in the Plan as of December 31, 2006 who will be eligible for early or normal retirement on or before December 31, 2011 will be frozen on December 31, 2011. Benefits for all other active participants in the Plan were frozen on December 31, 2006.

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 approximately 50 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.

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 consistent with applicable law. 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.

AMERICAN AXLE & MANUFACTURING, INC. RETIREMENT PROGRAM FOR SALARIED EMPLOYEES

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

1. DESCRIPTION OF THE PLAN (CONTINUED)

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.

RETIREMENT PROGRAM FOR SALARIED EMPLOYEES

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.

RETIREMENT PROGRAM FOR SALARIED EMPLOYEES

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.
RETIREMENT PROGRAM FOR SALARIED EMPLOYEES**

**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	\$ 96,204,524	\$ 91,086,459
Nonvested benefits	<u>5,897,025</u>	<u>6,950,156</u>
 TOTAL ACCUMULATED PLAN BENEFITS	 <u><u>\$ 102,101,549</u></u>	 <u><u>\$ 98,036,615</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	\$ 4,365,423
Interest due to decrease in discount period	6,140,896
Changes in actuarial assumptions	(693,714)
Benefits paid	<u>(5,747,671)</u>
 NET INCREASE IN ACCUMULATED PLAN BENEFITS	 4,064,934
 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS, JANUARY 1, 2008	 <u>98,036,615</u>
 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS, JANUARY 1, 2009	 <u><u>\$ 102,101,549</u></u>

AMERICAN AXLE & MANUFACTURING, INC.

RETIREMENT PROGRAM FOR SALARIED EMPLOYEES

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. RETIREMENT PROGRAM FOR SALARIED EMPLOYEES

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>\$ 96,560,750</u>	<u>\$ 87,178,734</u>

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

	<u>2009</u>	<u>2008</u>
Interest income	\$ 3,156,887	\$ 3,253,525
Net appreciation/(depreciation) in fair value of investment in Master Trust	<u>14,252,201</u>	<u>(21,482,599)</u>
	<u>\$ 17,409,088</u>	<u>\$ (18,229,074)</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.

RETIREMENT PROGRAM FOR SALARIED EMPLOYEES

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			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
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	439,077			439,077
	<u>439,077</u>	<u></u>	<u></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. RETIREMENT PROGRAM FOR SALARIED EMPLOYEES

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

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

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
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:

	<u>2009</u>	<u>2008</u>
Plan's Approximate Percentage Interest in Master Trust Assets	<u>34.03%</u>	<u>34.89%</u>

AMERICAN AXLE & MANUFACTURING, INC.
RETIREMENT PROGRAM FOR SALARIED EMPLOYEES

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.
RETIREMENT PROGRAM FOR SALARIED EMPLOYEES**

**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.
RETIREMENT PROGRAM FOR SALARIED EMPLOYEES**

**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. RETIREMENT PROGRAM FOR SALARIED EMPLOYEES

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

6. INCOME TAX STATUS

The Plan obtained its latest determination letter on June 10, 2004, in which the Internal Revenue Service 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.

The Company failed to remit to the Plan's custodian certain deferrals in 2009 totaling \$8,595 within the period prescribed by the regulations of the U.S. Department of Labor ("DOL"). The delays were due to administrative errors. The Company has applied for correction under the DOL's Voluntary Fiduciary Correction Program and Prohibited Transaction Exemption ("PTE") 2002-51.

Aside from this matter, 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.

SUPPLEMENTAL SCHEDULE

AMERICAN AXLE & MANUFACTURING, INC.
RETIREMENT PROGRAM FOR SALARIED EMPLOYEES
(Federal Employer Identification Number: 38-3138388; Plan Number: 002)

SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
(Form 5500, Schedule H, Item 4a)
YEAR ENDED DECEMBER 31, 2009

Participant Contributions Transferred Late to Plan	Total That Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under Voluntary Fiduciary Correction Program ("VFCP") and Prohibited Transaction Exemption ("PTE") 2002-51
Check Here If Late Participant Loan Repayments Are Included	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
<u>\$ 8,595</u>		<u>\$ 8,595</u>		
☐	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,595</u>	<u>\$ -</u>

Plan Provisions — Salaried

Effective Date	March 1, 1994. Last Amended: June 13, 2008
Employees Covered Plan Year	Salaried employees of American Axle & Manufacturing Inc. hired before January 1, 2002. First: March 1, 1994 to December 31, 1994; second and later: calendar years beginning on or after January 1, 1995.
Eligibility	Part A: Immediately upon becoming a salaried employee of AAM. Part B: Age 21, six months of service, and elect to contribute.
Grandfathered Participants	Participants who are active and a participant on December 31, 2006, and will be eligible to retire under the plan on or before December 1, 2011.
Freeze Date	Benefits were frozen on December 31, 2006, for non-grandfathered participants and benefits will be frozen on December 31, 2011, for grandfathered participants.
Credited Service	Generally all periods of service for which the employee is paid; however, credited service is frozen on December 31, 2006 for non-grandfathered participants and on December 31, 2011, for grandfathered participants for benefit purposes. Service after the freeze dates is counted for vesting purposes and determining benefit eligibility. Credited service with GM is included for determining eligibility for AAM benefits for associates defined as Transitioned Associates under the Plan. For employees with less than five years of service at March 1, 1994, GM credited service before March 1, 1994, counts for AAM benefits as well as eligibility. All credited service counts for Part B benefits for employees who contribute at all times while eligible; otherwise only credited service while contributing counts for Part B benefits.

Benefit Formula All benefits were frozen as of December 31, 2006 for non-grandfathered participants and as of December 31, 2011 for grandfathered participants. Benefits are based on the credited service, basic benefit rate, and base pay as of the freeze date. There are no additional employee contributions after the freeze date.

Part A: Same as for Hourly.

Part B:

- ▶ Basic: Annual pension equals 100% of the Participant's contributions.
- ▶ Supplemental: Monthly pension is 1% of excess average monthly base pay times credited service. Excess average monthly base pay is the excess of average monthly base pay over 100 times the Part A basic benefit rate for Class D. Average monthly base salary is the average salary rate for the highest 60 months during the last 120 months of employment before the freeze date.

Accrued Pension: The sum of the accrued Part A and Part B pensions earned by the Participant and payable from the plan's normal retirement date as a single life annuity.

Participant Contributions 1.25% of monthly base salary in excess of \$3,400. No further contributions are required after 35 years. No contributions after the freeze date.

Benefits at
Retirement

- (a) Normal Retirement:
 - Eligibility: Age 65
 - Benefit: The accrued pension.
- (b) Early Retirement:
 - Eligibility: (1) Age 55 with at least 10 years of credited service, (2) if hired by GM before 1988, any age after completion of 30 years of credited service or (3) if hired by GM before 1988, age 55 with at least 85 points (sum of age and credited service). Service after the freeze date is counted for eligibility purposes.
 - Benefit: The accrued pension, reduced for early commencement, plus a supplement. Sample early retirement factors are as follows:

Benefits at
Retirement (cont.)

<u>Age</u>	1) On or after age 60 or 2) Pre 1988 hires with	Age 55 to 60 (Less Than 85 Points or Hired After 1987)
	a) 30 years of service or b) <u>85 points</u>	
65	100.0%	100.0%
62	100.0%	78.4%
60	86.7%	64.0%
55	57.9%	46.0%

For Participants hired by GM before 1988, reductions in Part A pensions are restored at age 62 if the Participant has at least 30 years of service, or if the sum of the Participant's age and credited service at retirement is at least 85.

▪ Supplements:

- Early retirement supplement: Participants hired by GM before 1988 who retire with at least 30 years of credited service are entitled to a monthly supplement until age 62. The amount is equal to the excess of a total benefit amount determined as for an hourly employee, over the sum of Participant's reduced Part A and Part B supplemental pensions. Supplements are prorated based on credited service as of the freeze date, for participants whose credited service was frozen for benefit accrual purposes, but continued to grow for benefit eligibility purposes.
- Interim supplement: For Participants hired by GM before 1988 who retire with less than 30 years of credited service, a monthly interim supplement is payable until age 62. The interim supplement is equal to a rate at age of retirement as described in the Hourly Plan summary multiplied by credited service, reduced by Part B Supplementary Benefits. Supplements are prorated based on credited service as of the freeze date, for participants whose credited service was frozen for benefit accrual purposes, but continued to grow for benefit eligibility purposes.
- All early retirement supplements are payable beyond age 62 for individuals born between 1938 and 1945. These supplements are payable to the Social Security retirement age in which 80% of the normal benefit is payable.

(c) Disability Retirement:

- Eligibility: Qualification for disability followed by termination of employment before eligibility for retirement and after completing at least 10 years of service.
- Benefit: The accrued pension without reduction for early commencement plus a temporary benefit. For participants born between 1938 and 1945, the temporary benefit is payable to the Social Security retirement age in which 80% of the normal benefit is payable. For all other participants, the temporary benefit is payable until age 62. The monthly temporary amount is determined as described in the Hourly Plan summary. If the Participant has at least 30 years of credited service and was hired by GM before 1988, an early retirement supplement is also payable. The unreduced accrued pension and the temporary benefit are both subtracted in calculating the early retirement supplement for a special early retirement. American Axle assumes the individual has been approved for SSDI unless the participant provides proof otherwise, and then receives the temporary benefit.

(d) Deferred Vested Retirement:

- Eligibility: Termination of employment before eligibility for retirement and for Part A and Part B supplemental pensions, after completing at least five years of service.
- Benefit: The full accrued pension is payable at age 65. A reduced pension is available as early as age 55. Sample reduction factors are as follows:

<u>Age</u>	<u>Factor</u>
65	100.00%
62	78.4%
60	64.0%
55	42.8%

(e) Early Retirement Window Retirement:

- An Early Retirement Window called the VSRIP (Voluntary Salaried Retirement Incentive Program) was offered in 2008 and 2009. Participants received up to three years (two in 2009) of age and/or service to attain retirement eligibility. The additional years of age and service are also reflected in the calculation of benefits and early retirement reduction factors.
- A cash balance account was also established under the plan and participants who did not need additional age or service to attain retirement eligibility received a \$50,000 account addition. Participants who did need additional age or service to attain retirement eligibility received a \$35,000 account addition.

Pre-retirement
 Death Benefits

(a) Eligibility: Death while a Participant

(b) Benefits:

- Unmarried: Lump sum payment of the Participant's contributions plus interest.
- Participant who is married (for at least one year on the date of death) but not eligible to retire: Deferred pension equal to 50% of the Participant's accrued Part B (primary plus supplemental) benefit plus, if the Participant is vested, a deferred pension equal to 50% of the Participant's accrued Part A pension, both payable at the Participant's normal retirement age.
- Participant who is married (for at least one year on the date of death) and eligible to retire: An immediate pension of 65% of the Participant's accrued Part B (primary plus supplemental) pension plus 65% of the Participant's immediate Part A benefit under the automatic 65% joint and survivor form.

- Forms of Payment
- (a) Pre-retirement Spouse's Pensions: Payable for the life of the spouse.
 - (b) Supplements and Temporary Pensions: Payable for the life of the Participant, but not beyond age 62 (extended beyond 62 for participants born between 1938 and 1945 to the Social Security retirement age at which 80% of the normal benefit is payable).
 - (c) Regular Pensions:
 - Normal form: Single life annuity.
 - Automatic option for married Participants: A reduced 65% joint and survivor annuity with the spouse as beneficiary. The reduction is 5% plus/minus 0.5% for each year above five that the spouse is younger/older than the Participant, respectively (reduction not less than zero). The reduction is restored if the spouse dies before the participant. For participants whose Part A early retirement reduction is restored at age 62, the joint & survivor reduction is based on the post 62 benefit. For disability retirements before 55, the continuation percentage is 50% (instead of 65%), the reduction is actuarial equivalent (instead of 0.5% per year) and the benefit payable to the surviving spouse is deferred until the date in which the participant would have attained age 55. The standard automatic spouse provisions apply once the disability pensioner attains age 55.
 - Other options: The Plan offers optional joint and survivor annuities.
 - (d) Contribution Withdrawals: Participants may elect to withdraw their contributions plus interest in a lump sum. Participants with less than five years of service who elect these options receive no other benefits. Participants who elect this option and have more than five years of service forfeit the employee-provided and supplementary portion of the Part B pension.
 - (e) Lump Sums: Lump sums are paid automatically to Participants whose employer-provided pensions have lump sum values of less than \$1,000 to the participant or \$5,000 to the beneficiary of a pre-retirement death benefit or an alternate payee. Lump sum values are based on the applicable interest rates which are the 3-segment corporate-bond rate basis under PPA with a look-back month of November and the applicable mortality table which is the IRS Prescribed Mortality for the Plan Year during which the participants' annuity starting date occurs. The cash balance account added as part of the 2008 and 2009 Early Retirement Windows may be paid as a single lump sum.

Maximum Benefit and Pay No benefit payable to a Participant can exceed the IRC Section 415 limit for the plan year. The amount of pay considered in figuring contributions of benefits for a year is limited by IRC Section 401(a)(17).

Coordination with GM Salaried Retirement Program

For GM employees who became AAM employees on March 1, 1994:

- GM will count AAM service towards eligibility for GM pensions.
- The early retirement supplement will be prorated between the GM and AAM plans based on service.
- The GM plan will credit 3% annual base salary increases in calculating GM Part B supplemental pensions provided the Participant leaves his contributions in the GM Plan until he/she terminates employment with AAM.

Plan Changes since Prior Valuation

Funding Purposes: The Early Retirement Window for 2008 is reflected in the January 1, 2009 valuation but the 2009 Early Retirement Window is not reflected in the January 1, 2009 valuation (it will be reflected in the January 1, 2010 valuation).

AMERICAN AXLE & MANUFACTURING, INC.
RETIREMENT PROGRAM FOR SALARIED EMPLOYEES
(Federal Employer Identification Number: 38-3138388; Plan Number: 002)

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.
Retirement Program for Salaried Employees**

EIN: 38-3138388

PN: 002

Plan Year: 2009

Attachment to 2009 Plan Year Form 5500 Schedule SB, line 26 - Schedule of Active Participant Data

AMERICAN AXLE & MANUFACTURING SALARIED RETIREMENT 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	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	1	2	0	0	0	0	0	0	0	3
30 to 34	0	1	50	6	0	0	0	0	0	0	57
35 to 39	0	1	67	54	1	0	0	0	0	0	123
40 to 44	0	0	54	56	3	0	0	0	0	0	113
45 to 49	0	0	47	60	1	0	0	0	0	0	108
50 to 54	0	3	32	66	1	0	0	0	0	0	102
55 to 59	0	1	13	50	0	0	0	0	0	0	64
60 to 64	1	1	8	24	0	0	0	0	0	0	34
65 to 69	0	0	0	3	0	0	0	0	0	0	3
Over 70	0	0	0	0	0	0	0	0	0	0	0
Total	1	8	273	319	6	0	0	0	0	0	607

Average Age = 45.9

Average Service = 10.2

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rates:

- | | |
|---|--|
| ▶ Applicable month | November 2008 (based on rates during October 2008) |
| ▶ Yield curve basis | Full yield curve |
| ▶ Transition from current liability rates | 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 |

Contributions

Demographic and Other Assumptions					AAM Salaried
Demographic Assumptions					
Funding IRS Prescribed 2009 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

AAM Salaried

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 and service. Sample annual rates of retirement per 100 Participants are as follows:

Salaried Rates

<u>Age</u>	<u>Hired<88</u>	<u>Hired>87</u>
50	3	0
55	5	2
60	35	10
62	40	30
65	100	100

AAM Salaried

Percent married	85.0% males; 40.0% females
Percent electing joint and survivor coverage	100.0% of married males; 50.0% of married females
Spouse’s Age	Wives 3 years younger than husbands

Actuarial Methods

Contributions:

- Funding Target Normal Cost and Funding Target Unit credit
- Actuarial value of assets 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.

Benefits Not Valued All benefits described in the summary of plan provisions section were valued.

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.
Retirement Program for Salaried Employees
2009 Plan Year Form 5500 Schedule SB Line 25 – Change in Method

EIN: 38-3138388
Plan Number: 002

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.
Retirement Program for Salaried Employees
2009 Plan Year Form 5500 Schedule SB Line 24 – Change in Actuarial
Assumptions

EIN: 38-3138388
Plan Number: 002

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.
Plan Name : Retirement Program for Salaried Employees
EIN: 38-3138388
PN: 002
Plan Year : 2009
Attachment to the 2009 Plan Year Form 5500 Schedule SB, line 22 - Description of Weighted Average Retirement Age

AMERICAN AXLE & MANUFACTURING, INC.

SALARIED PENSION PLAN

Calculation of 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. Retirement age was calculated by taking the weighted average of retirements by age and service. The average expected retirement age is 62 as of the valuation date. Sample rates are as follows:

Age	Rates	
	Pre-88 Hires	Post-88 Hires
50	0.0300	0.0000
55	0.0500	0.0200
60	0.3500	0.1000
62	0.4000	0.3000
65	1.0000	1.0000

AMERICAN AXLE & MANUFACTURING, INC.
RETIREMENT PROGRAM FOR SALARIED EMPLOYEES
(Federal Employer Identification Number: 38-3138388; Plan Number: 002)

SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
(Form 5500, Schedule H, Item 4a)
YEAR ENDED DECEMBER 31, 2009

Participant Contributions Transferred Late to Plan	Total That Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under Voluntary Fiduciary Correction Program ("VFCP") and Prohibited Transaction Exemption ("PTE") 2002-51
Check Here If Late Participant Loan Repayments Are Included	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
<u>\$ 8,595</u>		<u>\$ 8,595</u>		
☐	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,595</u>	<u>\$ -</u>

**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 Retirement Program for Salaried Employees	B Three-digit plan number (PN) ▶ 002
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	87,178,734
b Actuarial value.....	2b	95,896,607
3 Funding target/participant count breakdown	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a 494	43,591,648
b For terminated vested participants.....	3b 540	8,903,028
c For active participants:		
(1) Non-vested benefits.....	3c(1)	4,871,510
(2) Vested benefits.....	3c(2)	26,386,047
(3) Total active.....	3c(3) 607	31,257,557
d Total.....	3d 1,641	83,752,233
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	7.99 %
6 Target normal cost.....	6	1,926,900

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)	27,219,453	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	2,639,688	0
9 Amount remaining (Item 7 minus item 8)	24,579,765	0
10 Interest on item 9 using prior year's actual return of <u>(16.99)%</u>	(4,176,102)	
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	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	20,403,663	0

Part III Funding percentages

14 Funding target attainment percentage	14	90.13 %
15 Adjusted funding target attainment percentage	15	114.50 %
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	113.00 %
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
01/09/2009		8,413	08/06/2009		5,794
02/09/2009		8,826	09/09/2009		5,876
03/09/2009		8,828	10/06/2009		5,550
04/07/2009		8,834	11/12/2009		5,555
06/05/2009		17,146	12/10/2009		5,529
07/08/2009		7,987			
Totals ▶			18(b)	0	18(c) 88,338

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	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

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**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**

1,926,900

32 Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment

0

0

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**

1,926,900

Carryover balance

Prefunding balance

Total balance

35 Balances used to offset funding requirement

1,926,900

0

1,926,900

36 Additional cash requirement (item 34 minus item 35).....**36**

0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....**37**

0

38 Interest-adjusted excess contributions for current year (see instructions).....**38**

0

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