

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 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>			
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. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN	1b Three-digit plan number (PN) ►	006	
	1c Effective date of plan	01/01/2001	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) AMERICAN AXLE & MANUFACTURING, INC. ONE DAUCH DRIVE DETROIT, MI 48211-1198	2b Employer Identification Number (EIN) 38-3138388	2c Sponsor's telephone number 313-758-2000	2d Business code (see instructions) 336300

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2011	TERRI M. KEMP
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2011	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

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

Form 5500 (2010)
v.092307.1

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
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5 Total number of participants at the beginning of the plan year	5	503
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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	338
b Retired or separated participants receiving benefits.....	6b	3
c Other retired or separated participants entitled to future benefits.....	6c	144
d Subtotal. Add lines 6a , 6b , and 6c	6d	485
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	
f Total. Add lines 6d and 6e	6f	485
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	3

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1C 1G

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	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
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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 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

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

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

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

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2010</u>	
2 Assets:	
a Market value	2a <u>1865961</u>
b Actuarial value	2b <u>2052557</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>7</u> <u>68136</u>
b For terminated vested participants	3b <u>127</u> <u>742699</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>11001</u>
(2) Vested benefits	3c(2) <u>1643735</u>
(3) Total active	3c(3) <u>369</u> <u>1654736</u>
d Total	3d <u>503</u> <u>2465571</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>6.63</u> %
6 Target normal cost	6 <u>45713</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>09/30/2011</u>
Signature of actuary	Date
<u>ROBERT CAMPBELL</u>	<u>11-04450</u>
Type or print name of actuary	Most recent enrollment number
<u>TOWERS WATSON PENNSYLVANIA, INC.</u>	<u>616-254-2600</u>
Firm name	Telephone number (including area code)
<u>3196 KRAFT AVENUE, S.E., SUITE 202</u> <u>GRAND RAPIDS, 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) 2010
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)	30043		
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	30043		
9 Amount remaining (Item 7 minus item 8).....			
10 Interest on item 9 using prior year's actual return of <u>17.29</u> %			
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>8.03</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.....	0		
13 Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0		0

Part III	Funding percentages		
14 Funding target attainment percentage.....	14	83.24	%
15 Adjusted funding target attainment percentage.....	15	83.24	%
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	81.34	%
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	
03/30/2010	82017					
12/31/2010	302885					
			Totals ▶	18(b)	384902	18(c)

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	364853
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

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

21 Discount rate:				
a Segment rates:	1st segment: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
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	45713
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	314391	59622
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	105335
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement		Total balance
36 Additional cash requirement (item 34 minus item 35).....	36	105335
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	364853
38 Interest-adjusted excess contributions for current year (see instructions).....	38	259518
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	
40 Unpaid minimum required contribution for all years	40	

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
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
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
		2010
		This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN	B Three-digit plan number (PN) ▶	006
C Plan sponsor's name as shown on line 2a of Form 5500 AMERICAN AXLE & MANUFACTURING, INC.	D Employer Identification Number (EIN) 38-3138388	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(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)	1336047	2252936
(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	1336047	2252936

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	393	10729
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	393	10729

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1335654	2242207
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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)	926216	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		926216

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)		79629
(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		1005845

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	99292	
(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)		99292
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		99292

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		906553
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

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

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

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

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

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

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 2010 This Form is Open to Public Inspection.
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>AMERICAN AXLE & MANUFACTURING, INC. AND AFFILIATED CORPORATION SALARIED CASH BALANCE PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>006</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <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>19</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) 2010
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: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

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

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

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

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

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

FINANCIAL STATEMENTS

December 31, 2010 and 2009

**George Johnson
& Company**

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

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George Johnson & Company

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(313) 965-2655 • Fax (313) 965-4614

INDEPENDENT AUDITORS' REPORT

October 12, 2011

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

We were engaged to audit the accompanying statements of net assets available for benefits of the American Axle & Manufacturing, Inc. and Affiliated Corporation Salaried Cash Balance Pension Plan (the "Plan") as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by SEI Private Trust Company, the trustee and custodian of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certifications from the trustee as of, and for the years ended, December 31, 2010 and 2009 that the information provided to the Plan administrator by the trustee is complete and accurate.

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


CERTIFIED PUBLIC ACCOUNTANTS

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

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
ASSETS:		
Investments, at fair value (Notes 2 and 4):		
Value of interest in American Axle & Manufacturing, Inc. Defined Benefit Plan Master Trust	\$ 2,252,936	\$ 1,336,047
LIABILITIES:		
Accrued administrative expenses	<u>10,729</u>	<u>393</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 2,242,207</u></u>	<u><u>\$ 1,335,654</u></u>

See accompanying notes to financial statements.

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

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS YEARS ENDED DECEMBER 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
ADDITIONS:		
Employer contributions	\$ 926,216	\$ 166,000
Interest income	56,950	43,557
Net appreciation in fair value of investment in American Axle & Manufacturing, Inc. Defined Benefit Plan Master Trust (Note 4)	<u>170,779</u>	<u>180,613</u>
Total Additions	<u>1,153,945</u>	<u>390,170</u>
DEDUCTIONS:		
Benefits paid to participants	99,292	783,669
Administrative expenses	<u>148,100</u>	<u>38,846</u>
Total Deductions	<u>247,392</u>	<u>822,515</u>
CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS	906,553	(432,345)
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	<u>1,335,654</u>	<u>1,767,999</u>
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	<u><u>\$ 2,242,207</u></u>	<u><u>\$ 1,335,654</u></u>

See accompanying notes to financial statements.

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

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2010 and 2009

1. DESCRIPTION OF THE PLAN

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

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

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

1. DESCRIPTION OF THE PLAN (CONTINUED)

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

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

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

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

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

1. DESCRIPTION OF THE PLAN (CONTINUED)

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

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

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 12, 2011, the date that the accompanying financial statements were available to be issued. In 2011, the Company approved the merger of the Plan with the American Axle & Manufacturing, Inc. Retirement Program for Salaried Employees. The merger will be effective December 31, 2011.

3. ACCUMULATED PLAN BENEFITS

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

3. ACCUMULATED PLAN BENEFITS (CONTINUED)

The accumulated plan benefit information as of January 1, 2010 and 2009 is as follows:

	<u>2010</u>	<u>2009</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS:		
Vested benefits for active participants	\$ 2,679,701	\$ 2,710,064
Nonvested benefits	<u>12,395</u>	<u>103,652</u>
TOTAL ACCUMULATED PLAN BENEFITS	<u><u>\$ 2,692,096</u></u>	<u><u>\$ 2,813,716</u></u>

Changes in the actuarial present value of accumulated plan benefits for the year ended January 1, 2010 are as follows:

INCREASE (DECREASE) IN ACCUMULATED PLAN BENEFITS ATTRIBUTABLE TO:	
Benefits accumulated	\$ 555,386
Interest due to decrease in discount period	157,823
Changes in actuarial assumptions	(51,160)
Benefits paid	<u>(783,669)</u>
NET DECREASE IN ACCUMULATED PLAN BENEFITS	(121,620)
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS, JANUARY 1, 2009	<u>2,813,716</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS, JANUARY 1, 2010	<u><u>\$ 2,692,096</u></u>

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

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	2010 - 5.95%
present value of accumulated plan benefits	2009 - 6.50%
Mortality basis	RP 2000 healthy mortality with white collar adjustments projected to 2015 using scale AA
Employee turnover	A moderate rate
Retirement	A graduated scale

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

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

4. INVESTMENTS AND FAIR VALUE (UNAUDITED)

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

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

Assets certified by SEI as of December 31, 2010 and 2009 are as follows:

	<u>2010</u>	<u>2009</u>
CERTIFIED ASSETS:		
Investments, at fair value:		
Value of interest in Master Trust	<u>\$ 2,252,936</u>	<u>\$ 1,336,047</u>

Investment income for the years ended December 31, 2010 and 2009 is as follows:

	<u>2010</u>	<u>2009</u>
Interest income	\$ 56,950	\$ 43,557
Net appreciation in fair value of investment in Master Trust	<u>170,779</u>	<u>180,613</u>
	<u>\$ 227,729</u>	<u>\$ 224,170</u>

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

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

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

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, 2010 and 2009 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)	
2010				
ASSETS:				
Investments, at fair value:				
Investments in registered investment companies:				
Equity funds	\$ 167,815,933	\$ -	\$ -	\$ 167,815,933
Bond funds	105,711,854			105,711,854
Income funds	937,369			937,369
	274,465,156	-	-	274,465,156
Money market funds		14,288,696		14,288,696
Cash and cash equivalents	145,034			145,034
Hedge funds			35,725,580	35,725,580
Total Investments	274,610,190	14,288,696	35,725,580	324,624,466
Interest and income receivable	490,395			490,395
TOTAL ASSETS	\$ 275,100,585	\$ 14,288,696	\$ 35,725,580	\$ 325,114,861

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

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

	Fair Value Measurements			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
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>

The Plan's interest in the Master Trust as of December 31, 2010 and 2009 is as follows:

	<u>2010</u>	<u>2009</u>
Plan's Approximate Percentage Interest in Master Trust Assets	<u>0.69%</u>	<u>0.47%</u>

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

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

The changes in the Master Trust assets for the years ended December 31, 2010 and 2009 are summarized as follows:

	<u>2010</u>	<u>2009</u>
ADDITIONS:		
Contributions from participating plans	\$ 34,839,269	\$ 20,712,338
Interest income	9,309,972	8,792,876
Net appreciation in fair value of investments	<u>29,039,984</u>	<u>40,097,132</u>
Total Additions	<u>73,189,225</u>	<u>69,602,346</u>
DEDUCTIONS:		
Benefits paid to participants	28,449,961	32,840,021
Administrative expenses	<u>3,347,666</u>	<u>2,894,567</u>
Total Deductions	<u>31,797,627</u>	<u>35,734,588</u>
NET CHANGE	41,391,598	33,867,758
ASSETS, BEGINNING OF YEAR	<u>283,723,263</u>	<u>249,855,505</u>
ASSETS, END OF YEAR	<u><u>\$ 325,114,861</u></u>	<u><u>\$ 283,723,263</u></u>

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

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

For the years ended December 31, 2010 and 2009, the Master Trust's investments (including gains and losses on investments bought and sold, as well as held, during the years) appreciated in value as follows:

	<u>2010</u>	<u>2009</u>
Investments in registered investment companies	\$ 28,668,872	\$ 38,621,151
Hedge funds	<u>371,112</u>	<u>1,475,981</u>
Net Appreciation in Value	<u>\$ 29,039,984</u>	<u>\$ 40,097,132</u>

As of December 31, 2010 and 2009, the Master Trust held the following investments with various parties-in-interest:

	<u>2010</u>	<u>2009</u>
Investments managed by SEI:		
Investments in registered investment companies	\$ 274,465,156	\$ 238,505,806
Money market funds	14,288,696	9,358,912
Hedge funds	<u>35,725,580</u>	<u>35,354,468</u>
	<u>\$ 324,479,432</u>	<u>\$ 283,219,186</u>

The fair value of the Master Trust's investment in a hedge fund (which invests primarily in equity securities which are not publicly traded) has been estimated using the net asset value per share of the fund. This fund may be redeemed at any time. There are no unfunded commitments to acquire additional units of this fund as of December 31, 2010.

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

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, 2010 and 2009 is as follows:

	Hedge Funds	
	2010	2009
CHANGES IN LEVEL 3 ASSETS:		
Net realized and unrealized gains	\$ 371,112	\$ 1,475,981
Purchases, issuances, and settlements	-	20,384,600
CHANGE IN LEVEL 3 ASSETS	371,112	21,860,581
BALANCE, BEGINNING OF YEAR	35,354,468	13,493,887
BALANCE, END OF YEAR	<u>\$ 35,725,580</u>	<u>\$ 35,354,468</u>
Net gains 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>\$ 371,112</u>	<u>\$ 1,475,981</u>

5. TRANSACTIONS WITH PARTIES-IN-INTEREST

Certain investments held by the Master Trust as of December 31, 2010 and 2009 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.

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.

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2010 and 2009

6. INCOME TAX STATUS

The Plan obtained its latest determination letter on December 8, 2009, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. However, 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. In addition, the Plan administrator is not aware of any unrecognized tax benefits as of December 31, 2010 or 2009. Therefore, no provision for income taxes has been included in the Plan's financial statements. The Plan is no longer subject to federal income tax examinations by the IRS for years prior to 2007.

Plan Provisions — Cash Balance

Effective Date	January 1, 2001 Restated: January 1, 2002 – Amended June 13, 2008, Amended on 10/15/2009 for freeze at December 31, 2009.
Employees Covered	Any Salaried employee of Colfor Manufacturing, Inc., or MSP Team, LLC hired before January 1, 2010 and any Salaried employee of American Axle & Manufacturing, Inc. hired on or after January 1, 2002 and before January 1, 2007.
Plan Year	Calendar year
Date of Participation	An employee shall become a Participant on the date he or she first performs an Hour of Service for the Corporation (American Axle & Manufacturing, Inc., Colfor Manufacturing, Inc. and MSP Team LLC) as a covered employee.
Definitions	
Benefit Service	Commencing on the date the employee first performs an Hour of Service but excluding Service: (1) (a) In the case of Colfor and MSP participants, prior to April 1, 1999 (1) (b) In the case of AAM participants, prior to January 1, 2002 (2) While not a salaried employee (3) With an affiliated or predecessor employer (4) Subsequent to the employee's layoff or termination of employment Service after January 1, 2007 for AAM participants and after January 1, 2010 for Colfor and MSP participants will be counted for vesting purposes and determining eligibility for early retirement.
Base Salary	A Participant's salary paid for a work week of not more than 40 hours exclusive of overtime, bonuses, differentials, deferred compensation and any other miscellaneous payments, determined as of January 1 of the Plan Year in question. If the Participant did not become a salaried employee until after January 1, the salary is determined as of the date he or she first became a salaried employee that Plan Year, multiplied by the fraction of the year that the employee worked in the given Plan Year.

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

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

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

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

Late Retirement Date The first day of the month coincident with or next following termination of employment after Normal Retirement Date.

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

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

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

<u>Participant's Contribution Points</u>	<u>Percent of Base Salary Allocated</u>
Less than 50 points	1.5%

50 to 69 points	2.0%
70 to 89 points	2.5%
90 points or more	3.0%

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

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

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

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

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

American Axle & Manufacturing Inc.
American Axle & Manufacturing Inc. & Affiliated Corporation Salaried Cash Balance Plan
EIN: 38-3138388
PLAN: 006
Attachment to the 2010 Plan Year Form 5500 Schedule SB, Part V – Summary of Plan Provisions

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

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

Benefits at Retirement

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

Preretirement Surviving

Spouse's Benefit

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

Normal Form of Payment

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

Alternate Forms of Payment

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

Maximum Benefit

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

American Axle & Manufacturing Inc.
American Axle & Manufacturing Inc. & Affiliated Corporation Salaried Cash Balance Plan
EIN: 38-3138388
PLAN: 006
Attachment to the 2010 Plan Year Form 5500 Schedule SB, Part V – Summary of Plan Provisions

Plan Changes Since Prior Valuation	Funding: The December 31, 2009 plan freeze for Colfor and MSP participants and the 2009 VSRIP were reflected for the first time in the January 1, 2010 valuation.
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American Axle & Manufacturing, Inc.
American Axle & Manufacturing, Inc. & Affiliated Corporation Salaried Cash Balance Pension Plan
EIN: 38-3138388
PN: 006
Plan Year: 2010
Attachment to 2010 Plan Year Form 5500 Schedule SB, Line 26 - Schedule of Active Participant Data

AAM & AFFILIATED CORP. SALARIED CASH BALANCE PENSION PLAN

ANALYSIS OF ACTIVE (GRANDFATHERED AND NON-GRANDFATHERED) PARTICIPANT DATA AS OF 01/01/2010

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	1	0	0	0	0	0	0	0	0	1
25 to 29	19	26	2	0	0	0	0	0	0	0	47
30 to 34	11	37	3	3	0	0	0	0	0	0	54
35 to 39	12	57	10	7	0	0	0	0	0	0	86
40 to 44	7	32	6	16	0	0	0	0	0	0	61
45 to 49	6	30	2	13	0	0	0	0	0	0	51
50 to 54	3	20	1	11	0	0	0	0	0	0	35
55 to 59	2	20	0	5	0	0	0	0	0	0	27
60 to 64	2	3	0	0	0	0	0	0	0	0	5
65 to 69	1	1	0	0	0	0	0	0	0	0	2
Over 70	0	0	0	0	0	0	0	0	0	0	0
Total	63	227	24	55	0	0	0	0	0	0	369

Average Age = 40.9

Average Service = 4.3

Actuarial Assumptions and Methods – Contributions

Cash Balance

Economic Assumptions

Funding interest rates:

Applicable month September (Lookback)

Yield curve basis Segment Rates

► Transition from current liability rates No

Sample funding interest rates

Years 1-5 5.03%

Years 6-20 6.73%

Years 21 and on 6.82%

Effective Interest Rate 6.67%

Cash balance interest crediting rate Actual rate (based on Ten Year Treasury Rate as of 1st day of the year) linearly grading to a long term assumption of 4.00% over 5 years

Methods

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.

Demographic Assumptions - Contributions

Cash Balance

Funding IRS Prescribed Mortality

Non-Annuitant: RP 2000 projected to 2025 using scale AA (male and female)

Annuitant: RP 2000 projected to 2017 using scale AA (male and female)

Disabled Mortality

Same as nondisabled mortality

Demographic and Other Assumptions – Contributions

Termination

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

Age	Service			
	<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

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:

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

Terminated Vested Participant Benefit
Commencement Date

It is assumed active participants who terminate with vested benefits commence their benefits at age 55 (or at termination if later). Existing terminated vested participants are assumed to receive 20% of their remaining lump sum each year. Any remaining lump sum is paid in full at age 65.

Form of Payment

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

Percent married

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

Spouses age

Wives 3 years younger than husbands

Change in Assumptions and Methods Since Prior Valuation

Expenses	The assumed plan-related expenses added to the normal cost were changed to \$45,713 for 2010.
Interest Rate	The discounting method used for the funding valuation changed from a yield curve from November 2008 based on yields in October 2008 to September segment rates based on bond yields through the preceding August. The discount rate was decreased from 6.50% to 5.95%.
Interest Crediting Rate	The interest crediting rate was changed January 1, 2010 from 5% to the actual rate (based on Ten Year Treasury Rate as of 1 st day of the year) linearly grading to a long term assumption of 4.00% over 5 years.
Mortality	The healthy mortality used for contribution purposes was changed from the IRS 2009 Mortality (Non-Annuitant: RP 2000 projected to 2024 using scale AA (male and female) and Annuitant: RP 2000 projected to 2016) to IRS 2010 Mortality (Non-Annuitant: RP 2000 projected to 2025 using scale AA (male and female) and Annuitant: RP 2000 projected to 2017) using scale AA (male and female).
Terminated Vested Benefit Commencement Assumption	The terminated vested participants' assumed benefit commencement age was changed at January 1, 2010 from immediate upon termination to the later of age 55 or termination date if later for those coming from active status and 20% of their remaining lump sum each year with any remaining amount paid in full at age 65 for existing terminated vested participants.

Data Sources

Towers Watson used asset data supplied by the trustee. American Axle furnished participant data. American Axle furnished the dates and amounts of the 2009 contributions that will be paid in 2010, and accrued pension cost as of December 31, 2009. 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.

Demographic information came from a participant census as of January 1, 2010.

American Axle & Manufacturing, Inc.
 American Axle & Manufacturing, Inc. & Affiliated Corporation Salaried Cash Balance Pension Plan
 EIN: 38-3138388
 PN: 006
 Plan Year: 2010

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

	Date of Base Creation	Initial Amount	Amortization Installment	Remaining Period	PV of Future Installments
Shortfall Amortization Bases					
2009 Shortfall	1/1/2009	332,238	58,955	6	310,429
2010 Shortfall	1/1/2010	3,962	667	7	3,962
Total Shortfall Amortization Installments			59,622		314,391
Waiver Amortization Bases					
Total Waiver Amortization Installments			0		0
Total Amortization Installments			59,622		314,391

AMERICAN AXLE & MANUFACTURING, INC.

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

2010 Plan Year Form 5500 Schedule SB Line 25 – Change in Method

EIN: 38-3138388
Plan Number: 006

Interest Rate

The funding valuation interest rate changed from the IRS prescribed yield curve based on bond yields during the October preceding the valuation date (i.e. “applicable month” of November), to the IRS prescribed segment rates, without transition, based on bond yields through the August preceding the valuation date (i.e. “applicable month” of September”).

Software Changes

In accordance with 1.430(d)-1(g)(3)(ii)(A), automatic approval has been granted for the first plan year for which all the provisions of 1.430(d)-1, 1.430(f)-1, 1.430(g)-1, 1.430(i)-1, and 1.436-1 are reflected of any changes to funding methods permitted by the Pension Protection Act. 2010 is the first plan year for which all of these provisions were reflected, and thus all funding method changes are automatically approved.

AMERICAN AXLE & MANUFACTURING, INC.

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

**2010 Plan Year Form 5500 Schedule SB Line 24 – Change in Actuarial
Assumptions**

EIN: 38-3138388
Plan Number: 006

Interest Crediting Rate – The interest crediting rate was changed from a 5.00% flat assumption in 2009, to using the actual ten year treasury rate as of the first day of the year, linearly grading to a long term assumption of 4.00% over five years. The rate used in 2010 is 3.83%

Plan Sponsor: American Axle & Manufacturing, Inc.
 American Axle & Manufacturing, Inc. and Affiliated Corporation
Plan Name: Salaried Cash Balance Pension Plan
EIN: 38-3138388
Plan No.: 006
Plan Year: 2010

Attachment to the 2010 Plan Year Form 5500 Schedule SB, line 22 - Description of Weighted Average Retirement Age

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

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

AMERICAN AXLE & MANUFACTURING, INC.
American Axle & Manufacturing, Inc. and Affiliated Corporation Salaried Cash Balance Pension Plan
EIN: 38-3138388
Plan Number: 006
2010 Schedule SB – Discrepancies in Prior Year Schedule SB

Discrepancies in 2009 Schedule SB

The following discrepancies occurred between the 2009 plan year Schedule SB for this plan signed by the Enrolled Actuary and the copy posted to the Department of Labor website:

- Part F: There were more than 500 participants in the prior plan year.
- Part V, Line 21b: The applicable month was 2.

**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. 1510-0110

2010**This Form Is Open to Public
Inspection**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

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

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

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2010</u>		
2 Assets:		
a Market value.....	2a	1,865,961
b Actuarial value.....	2b	2,052,557
3 Funding target/participant count breakdown	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a	7
b For terminated vested participants.....	3b	127
c For active participants:		
(1) Non-vested benefits.....	3c(1)	11,001
(2) Vested benefits.....	3c(2)	1,643,735
(3) Total active.....	3c(3)	1,654,736
d Total.....	3d	503
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	6.63 %
6 Target normal cost.....	6	45,713

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 Campbell

Signature of actuary

ROBERT CAMPBELL

Type or print name of actuary

TOWERS WATSON PENNSYLVANIA INC.

3196 KRAFT AVE SE SUITE 202

Firm name

GRAND RAPIDS

MI 49512

Address of the firm

9/30/2011

Date

11-04450

Most recent enrollment number

(616) 254-2600

Telephone number (including area code)

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) 2010
v.092308.1

Part II	Beginning of year carryover and prefunding balances
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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)		30,043	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)		30,043	0
9	Amount remaining (Item 7 minus item 8).....		0	0
10	Interest on item 9 using prior year's actual return of <u>17.29</u> %			
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>8.03</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)		0	0

Part III Funding percentages

14	Funding target attainment percentage.....	14	83 . 24 %
15	Adjusted funding target attainment percentage.....	15	83 . 24 %
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	81 . 34 %
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:

Contributions made to the plan for the plan year by employer(s) and employee(s)		
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
03/30/2010	82,017	
12/31/2010	302,885	
		Totals ►
		18(b)
		384,902
		18(c)
		0

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

a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	364, 853

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

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

21 Discount rate:				
a Segment rates:	1st segment: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
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	45,713
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	314,391	59,622
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	105,335
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	105,335
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	364,853
38 Interest-adjusted excess contributions for current year (see instructions).....	38	259,518
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