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May 8, 2009

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MAY 11 2009

Michigan Department of Labor & Economic Growth  
Rapid Response Section  
611 West Ottawa Street, 4th Floor  
P.O. Box 30004  
Lansing, Michigan 48909

RAPID RESPONSE  
WORKFORCE PROGRAM

**Re: Mass Layoff at American Axle & Manufacturing, Inc.'s  
Detroit Manufacturing Center**

Dear Rapid Response Section:

This letter is written pursuant to the Worker Adjustment and Retraining Notification ("WARN") Act, 29 U.S.C. § 2101 et seq., to notify you that American Axle & Manufacturing, Inc. ("AAM") currently expects a mass layoff at the Detroit Manufacturing Complex ("DMC"), located at 1840 Holbrook, Detroit, Michigan, 48212, which will occur in phases commencing on May 25, 2009. The mass layoff will result in temporary but indefinite layoffs of employees in the UAW local bargaining unit, in order of seniority within equalization groups pursuant to the local collective bargaining agreement ("CBA"). It will also result in permanent layoffs of non-union employees at the DMC. This action is the result of unexpected massive reductions in production volumes necessitated by: (1) General Motors' unanticipated announcement that it will be shutting down a large number of its manufacturing facilities for an extended period this Summer, and (2) Chrysler LLC's recent declaration of bankruptcy and its indefinite and unanticipated shutdown of all of its plant operations while the bankruptcy is pending. Due to this unforeseen development and its dramatic impact on AAM's production volumes, AAM is unable to provide a full 60 days of notice to the UAW and non-union employees who will be impacted by this mass layoff. As indicated, as to the UAW employees who will be impacted by this layoff, it is intended that this layoff will be temporary, but given the economic uncertainties facing the automotive industry generally and AAM in particular, the duration of the layoff cannot at this time be determined. Although we hope that business conditions will begin to improve in the third quarter of 2009, it is possible that the layoff of UAW employees could extend beyond six months. The layoffs of non-union employees will, however, be permanent.

As indicated, it is currently anticipated that the mass layoff will occur in phases, beginning for the UAW represented employees with the 14-day period between May 25, 2009 and June 7, 2009. AAM expects that additional phases of the mass layoff will be implemented between June 8, 2009 and June 21, 2009 and between June 22, 2009 and July 5, 2009. The layoff of non-union employees will begin and be completed during the 14-day period between June 8, 2009 and June

21, 2009. AAM currently anticipates that this mass layoff will affect 744 UAW-represented employees and 103 non-union employees.

**Union-Represented Employees:** A list of the affected UAW positions and the number of UAW employees in those positions is attached for each phase of the mass layoff. These affected employees do not have bumping rights to displace other the DMC employees from their jobs due to the mass layoff. Prior to the periods during which the three phases of the mass layoff are implemented, certain of the afore-mentioned affected UAW employees may, pursuant to the CBA, voluntarily transfer to other positions in the DMC that are slated for layoff during a later phase of the mass layoff. Likewise, the DMC will be canvassing higher seniority UAW employees in each affected equalization group to determine, pursuant to the CBA, whether any such employees want to volunteer for layoff. AAM cannot anticipate whether such internal movement will occur or whether higher seniority UAW employees will volunteer for layoff, nor can AAM anticipate which UAW employees might be impacted by such actions, because decisions to voluntarily transfer to other jobs or to volunteer for termination are discretionary on the part of employees. Future notices will be sent to you as additional terminations occur.

The affected UAW-represented employees are represented by the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW Local 235. The name and addresses of the chief elected officers of the international and local union are as follows:

Ronald Gettelfinger  
President  
International Union, UAW  
8000 East Jefferson  
Detroit, MI 48214

Bill Alford  
President  
UAW Local 235  
2140 Holbrook Avenue  
Detroit, MI 48212

Dana Edwards  
Chairman  
UAW Local 235  
2140 Holbrook Avenue  
Detroit, MI 48212

**Non-Union Employees:** The exact magnitude of the layoff of non-union employees, the positions affected and the identity of the non-union employees selected for permanent layoff have not yet been determined. This is due, in part, to the pending completion of a Voluntary Salaried Retirement Incentive Program ("VSRIP") that is currently in effect and which is expected to be completed on June 4, 2009. It is also due, in part, to uncertainty about the current economic climate in the automotive industry, the viability of our current production plans and the changing needs of our automotive customers. As indicated, it is currently anticipated that the mass layoff will impact non-union employees during the 14-day period between June 8, 2009 and June 21, 2009. These

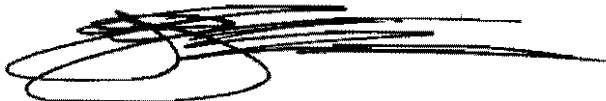
affected employees do not have bumping rights to displace other DMC employees from their jobs due to the mass layoff. When the exact number, job titles and identity of workers to be affected have been determined, we will update this letter. In the interim, we have issued WARN notice letters to all DMC non-union employees who may be affected by this mass layoff. We have enclosed a list of the non-union positions that may be affected by the layoff and the number of employees currently in each of those positions.

For further information regarding the mass layoff at the DMC, please contact me at (313) 758-2013.

For your information, a copy of this notice is also being sent to the Mayor of the City of Detroit.

The information and notice in this letter are based on the best information currently available. Various factors may change the timing of the DMC mass layoff. We will keep you informed of any significant changes to the information above if and when such changes occur.

Sincerely,

A handwritten signature in black ink, appearing to read 'Roy Frederickson', with a large, sweeping flourish extending to the right.

Roy Frederickson  
Plant Personnel Director

cc: Attachment

## List of Affected UAW Positions

Adjuster-Pyrometer & Heat Cont	0	2	0	0
Adjuster-Pyro HC Instrmts-AITS	0	1	0	0
Quality Mechanical Technician	236	101	0	3
Commodity	35	18	0	0
Qlty Mechanical Techni Linkage	33	0	32	20
Sr. Qlty Mechanical Technician	120	97	4	1
Factory Support	81	34	9	1
Bricklayer-Furnace Builder	1	0	1	0
Carpenter	2	0	1	0
Cutter Grinder	0	8	0	0
Electrical	18	14	9	0
Gear Cutter-Experimental	3	2	0	0
Gear Cutter-Experimental-AITS	0	1	0	0
HVAC-Heat Ventilation Air Cond	0	1	0	0
HVAC - AITS	0	0	1	0
"Inspector-Tool, Die & Fixture	1	1	0	0
Machine Repair	26	14	3	0
Mechanical Technician	11	8	8	0
Painter and Glazier	3	1	1	0
Pipefitter-Leader	0	0	1	0
Pipefitter	7	7	7	0
Tinsmith & Layout Sheet Metal	2	2	2	0
Toolmaker-Leader	2	1	0	0
Toolmaker	11	5	4	0
Welder-Gas & Arc (Tool & Die)	2	2	2	0
Diemaker-Copper Electrodes	3	0	0	0
Toolmaker (Machinist)	2	7	0	0
"Inspector Tool, Die & Fixture	3	4	2	0
Insp Tool, Die & Fixture-AITS	1	0	0	0

### List of Affected Non-Union Positions

Secretary	1
Specialized Clerk	1
Manager Facilities	1
Analyst Industrial Engineering	1
Senior Analyst Program Plng	1
General Manager DMC	1
Senior Facilities Engineer	1
Utilities Engineer Site Wide	1
Industrial Engineer	1
Supv Tooling Cutter Grind	1
Supervisor Mfg Engineering	2
Manager Metallurgy	1
Metallurgist	3
Process Engineer	3
Senior Controls Engineer	3
Senior Electrical Engineer	1
Senior Industrial Engineer	2
Senior Mfg Engineer	2
Senior Process Engineer	4
Welding Engineer	1
Controls Engineer	3
Coordinator Capital Plan	1
Cost Analyst Program Planner	1
Manager Industrial Engineering	1
Manager Mfg Eng DMC	1
Supervisor Welding Engineering	1
Manager Cost & General Accting	1
Sr Manager Plant Finance	1
Plant Audit Coordinator	1
Supervisor Finance Operations	1
Cost Analyst	1
Production Planner/Analyst	1
Personnel Director DMC	1
Attendance Representative	1
Manager Environmental Systems	1
Manager Medical, Hlth & Safety	1
Manager Labor Relations	1
Manager Personnel Admin	1
Senior Human Resources Rep	1
Senior Labor Relations Rep	1
Benefits Representative	1
Manager Mfg 2nd shift	1

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General Manager DMC	1
Senior Facilities Engineer	1
Utilities Engineer Site Wide	1
Industrial Engineer	1
Supv Tooling Cutter Grind	1
Supervisor Mfg Engineering	2
Manager Metallurgy	1
Metallurgist	3
Process Engineer	3
Senior Controls Engineer	3
Senior Electrical Engineer	1
Senior Industrial Engineer	2
Senior Mfg Engineer	2
Senior Process Engineer	4
Welding Engineer	1
Controls Engineer	3
Coordinator Capital Plan	1
Cost Analyst Program Planner	1
Manager Industrial Engineering	1
Manager Mfg Eng DMC	1
Supervisor Welding Engineering	1
Manager Cost & Generl Accting	1
Sr Manager Plant Finance	1
Plant Audit Coordinator	1
Supervisor Finance Operations	1
Cost Analyst	1
Production Planner/Analyst	1
Personnel Director DMC	1
Attendance Representative	1
Manager Environmental Systems	1
Manager Medical, Hlth & Safety	1
Manager Labor Relations	1
Manager Personnel Admin	1
Senior Human Resources Rep	1
Senior Labor Relations Rep	1
Benefits Representative	1
Manager Mfg 2nd shift	1