

AAM Proposal

Tentative Agreement

PENSION FOR FUTURE RETIREES

Freeze the defined-benefit pension plan.

AAM will provide a match of 30% on the first 5% of an associate's Personal Savings Plan contributions.

Company match and vesting upon one year seniority.

Company match begins after an associate acquires one year seniority.

The following changes are effective for retirements on or after Jan. 1, 2009:

Basic Benefit. The basic benefit will be frozen for pension plan participants with less than 20 years of credited service on Jan. 1, 2009 (i.e. the freeze date). Credited service continues to accrue for all purposes for members with 20 or more years of credited service. Age and credited service continue to accrue for all eligibility purposes.

Supplements. All supplements (Early Retirement, Interim and Temporary benefits) will be frozen as of Jan. 1, 2009 for all Plan participants.

Post-freeze date age and credited service will continue to be counted for determining eligibility for all supplements (Early Retirement, Interim and Temporary benefits) for all plan participants. The amount of such supplements will be prorated based on credited service as of the freeze date.

In addition, for vesting purposes, employees will continue to accrue credited service.

Effective Jan. 1, 2009, for associates with fewer than 20 years of credited service as of Dec. 31, 2008, AAM will provide annual retirement contributions to their PSP equal to 5% of associate earnings. In addition, AAM will provide a 25% match on the first 6% of associate contributions for associates with fewer than 20 years of credited service.

Also, after a 90-day notice and opt-out period, non-contributing participants in the PSP will have 3% of their weekly earnings deducted and deposited into their PSP account.

Company match begins after the associate acquires seniority.

Company match vests at one year of seniority.