**IN THE UNITED STATES BANKRUPTCY COURT**
**FOR THE DISTRICT OF DELAWARE**

| | | |
|---|---|---|
| In re: | ) | Chapter 11 |
| ACCURIDE CORPORATION, *et al.*,[1] | ) | Case No. 09-13449 (BLS) |
| Debtors. | ) | |

# DISCLOSURE STATEMENT FOR THE JOINT PLAN OF REORGANIZATION FOR ACCURIDE CORPORATION, *et al.*


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Dated: November 17, 2009

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Accuride Corporation, a Delaware corporation (9077); Accuride Cuyahoga Falls, Inc., a Delaware corporation (9556); Accuride Distributing, LLC, a Delaware limited liability company (3124); Accuride EMI, LLC, a Delaware limited liability company (N/A); Accuride Erie L.P., a Delaware limited partnership (4862); Accuride Henderson Limited Liability Company, a Delaware limited liability company (8596); AKW General Partner L.L.C., a Delaware limited liability company (4861); AOT Inc., a Delaware corporation (3088); Bostrom Holdings, Inc., a Delaware corporation (9282); Bostrom Seating, Inc., a Delaware corporation (7179); Bostrom Specialty Seating, Inc., a Delaware corporation (4182); Brillion Iron Works, Inc., a Delaware corporation (6942); Erie Land Holding, Inc., a Delaware corporation (8018); Fabco Automotive Corporation, a Delaware corporation (9802); Gunite Corporation, a Delaware corporation (9803); Imperial Group Holding Corp. -1, a Delaware corporation (4007); Imperial Group Holding Corp. -2, a Delaware corporation (4009); Imperial Group, L.P., a Delaware limited partnership (4012); JAII Management Company, a Delaware corporation (N/A); Transportation Technologies Industries, Inc., a Delaware corporation (2791); and Truck Components Inc., a Delaware corporation (5407). The mailing address for Accuride Corporation is 7140 Office Circle, Evansville, Indiana 47715.

**THE VOTING DEADLINE IS [4:00] P.M. PREVAILING EASTERN TIME ON [JANUARY 29], 2010 (UNLESS THE DEBTORS EXTEND THE VOTING DEADLINE).**

**TO BE COUNTED AS A VOTE TO ACCEPT OR REJECT THE PLAN, THE VOTING AND CLAIMS AGENT MUST ACTUALLY RECEIVE YOUR BALLOT, PRE-VALIDATED BENEFICIAL HOLDER BALLOT OR MASTER BALLOT, AS APPLICABLE, ON OR BEFORE THE VOTING DEADLINE.**

**BENEFICIAL HOLDERS RECEIVING BENEFICIAL HOLDER BALLOTS THAT ARE NOT PRE-VALIDATED MUST RETURN SUCH BENEFICIAL HOLDER BALLOTS TO THEIR RESPECTIVE INTERMEDIARY RECORD OWNERS AS SOON AS POSSIBLE TO ALLOW SUFFICIENT TIME FOR INTERMEDIARY RECORD OWNERS TO VALIDATE AND INCLUDE THEIR VOTES ON A MASTER BALLOT AND RETURN SUCH MASTER BALLOTS TO THE VOTING AND CLAIMS AGENT ON OR BEFORE THE VOTING DEADLINE.**

## IMPORTANT INFORMATION FOR YOU TO READ

**THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS DISCLOSURE STATEMENT FOR THE PURPOSE OF SOLICITING VOTES TO ACCEPT THE PLAN. NOTHING IN THIS DISCLOSURE STATEMENT MAY BE RELIED UPON OR USED BY ANY ENTITY FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN.**

**THIS DISCLOSURE STATEMENT WAS NOT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE AUTHORITY AND NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE AUTHORITY HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE STATEMENT OR UPON THE MERITS OF THE PLAN.**

**THIS DISCLOSURE STATEMENT CONTAINS "FORWARD LOOKING STATEMENTS" WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. SUCH STATEMENTS CONSIST OF ANY STATEMENT OTHER THAN A RECITATION OF HISTORICAL FACT AND CAN BE IDENTIFIED BY THE USE OF FORWARD LOOKING TERMINOLOGY SUCH AS "MAY," "EXPECT," "ANTICIPATE," "ESTIMATE" OR "CONTINUE" OR THE NEGATIVE THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. THE READER IS CAUTIONED THAT ALL FORWARD LOOKING STATEMENTS ARE NECESSARILY SPECULATIVE AND THERE ARE CERTAIN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE REFERRED TO IN SUCH FORWARD LOOKING STATEMENTS. THE LIQUIDATION ANALYSIS, DISTRIBUTION PROJECTIONS AND OTHER INFORMATION CONTAINED HEREIN AND ATTACHED HERETO ARE ESTIMATES ONLY, AND THE TIMING AND AMOUNT OF ACTUAL DISTRIBUTIONS TO HOLDERS OF ALLOWED CLAIMS OR EQUITY INTERESTS MAY BE AFFECTED BY MANY FACTORS THAT CANNOT BE PREDICTED. THEREFORE, ANY ANALYSES, ESTIMATES OR RECOVERY PROJECTIONS MAY OR MAY NOT TURN OUT TO BE ACCURATE.**

**THIS DISCLOSURE STATEMENT HAS BEEN PREPARED PURSUANT TO SECTION 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016 AND IS NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER SIMILAR LAWS. THE SECURITIES DESCRIBED HEREIN WILL BE ISSUED TO CREDITORS AND EQUITY INTEREST HOLDERS WITHOUT REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY SIMILAR FEDERAL, STATE OR LOCAL LAW, AND WILL INSTEAD RELY UPON THE EXEMPTIONS SET FORTH IN SECTION 1145 OF THE BANKRUPTCY CODE AND SECTION 4(2) OF THE SECURITIES ACT OR OTHER APPLICABLE EXEMPTIONS. THE DEBTORS RECOMMEND THAT POTENTIAL RECIPIENTS OF ANY SECURITIES PURSUANT TO THE PLAN CONSULT THEIR OWN LEGAL COUNSEL CONCERNING THE SECURITIES LAWS GOVERNING THE TRANSFERABILITY OF ANY SUCH SECURITIES.**

**NO LEGAL OR TAX ADVICE IS PROVIDED TO YOU BY THIS DISCLOSURE STATEMENT. THE DEBTORS URGE EACH HOLDER OF A CLAIM OR AN EQUITY INTEREST TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX OR BUSINESS ADVICE IN REVIEWING THIS DISCLOSURE STATEMENT, THE PLAN AND EACH OF THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHERMORE, THE BANKRUPTCY COURT'S APPROVAL OF THE ADEQUACY OF DISCLOSURE CONTAINED IN THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL OF THE MERITS OF THE PLAN.**

**IT IS THE DEBTORS' POSITION THAT THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS, AN ADMISSION OF FACT, LIABILITY, STIPULATION OR WAIVER. RATHER, THIS DISCLOSURE STATEMENT SHALL CONSTITUTE A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS RELATED TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND OTHER PENDING OR THREATENED LITIGATION OR ACTIONS.**

**NO RELIANCE SHOULD BE PLACED ON THE FACT THAT A PARTICULAR LITIGATION CLAIM OR PROJECTED OBJECTION TO A PARTICULAR CLAIM OR EQUITY INTEREST IS, OR IS NOT, IDENTIFIED IN THE DISCLOSURE STATEMENT. THE DEBTORS OR THE REORGANIZED DEBTORS MAY SEEK TO INVESTIGATE, FILE AND PROSECUTE CLAIMS OR EQUITY INTERESTS AND MAY OBJECT TO CLAIMS OR EQUITY INTERESTS AFTER THE CONFIRMATION OR EFFECTIVE DATE OF THE PLAN IRRESPECTIVE OF WHETHER THE DISCLOSURE STATEMENT IDENTIFIES ANY SUCH CLAIMS OR EQUITY INTERESTS OR OBJECTIONS TO CLAIMS OR EQUITY INTERESTS.**

**THIS DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, CERTAIN EVENTS IN THE DEBTORS' CHAPTER 11 CASES AND CERTAIN DOCUMENTS RELATED TO THE PLAN THAT ARE ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE. ALTHOUGH THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THE SUMMARIES DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH EVENTS. IN THE EVENT OF ANY CONFLICT, INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS INCORPORATED HEREIN BY REFERENCE, THE PLAN OR SUCH OTHER DOCUMENTS WILL GOVERN AND CONTROL FOR ALL PURPOSES. EXCEPT WHERE OTHERWISE SPECIFICALLY NOTED, FACTUAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE DEBTORS' MANAGEMENT. THE DEBTORS DO NOT REPRESENT OR WARRANT THAT THE INFORMATION CONTAINED HEREIN OR ATTACHED HERETO IS WITHOUT ANY MATERIAL INACCURACY OR OMISSION.**

**THE DEBTORS' MANAGEMENT HAS REVIEWED THE FINANCIAL INFORMATION PROVIDED IN THIS DISCLOSURE STATEMENT. ALTHOUGH THE DEBTORS HAVE USED THEIR REASONABLE BUSINESS JUDGMENT TO ENSURE THE ACCURACY OF THIS FINANCIAL INFORMATION, THE FINANCIAL INFORMATION CONTAINED IN, OR INCORPORATED BY REFERENCE INTO, THIS DISCLOSURE STATEMENT HAS NOT BEEN AUDITED (UNLESS EXPRESSLY PROVIDED HEREIN).**

**THE DEBTORS ARE GENERALLY MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AS OF THE DATE HEREOF WHERE FEASIBLE, UNLESS OTHERWISE SPECIFICALLY NOTED. ALTHOUGH THE DEBTORS MAY SUBSEQUENTLY UPDATE THE INFORMATION IN THIS DISCLOSURE STATEMENT, THE DEBTORS HAVE NO AFFIRMATIVE DUTY TO DO SO. HOLDERS OF CLAIMS AND EQUITY INTERESTS REVIEWING THIS DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THE DISCLOSURE STATEMENT WAS FILED. THE DEBTORS HAVE NOT AUTHORIZED ANY ENTITY TO GIVE ANY INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT WHICH IS CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTORS HAVE NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT.**

**HOLDERS OF CLAIMS AND EQUITY INTERESTS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN MUST RELY ON THEIR OWN EVALUATION OF THE DEBTORS AND THEIR OWN ANALYSES OF THE TERMS OF THE PLAN IN DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN. IMPORTANTLY, PRIOR TO DECIDING WHETHER AND HOW TO VOTE ON THE PLAN, EACH HOLDER OF A CLAIM OR AN EQUITY INTEREST IN A VOTING CLASS SHOULD REVIEW THE PLAN IN ITS ENTIRETY AND CONSIDER CAREFULLY ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT AND ANY EXHIBITS HERETO, INCLUDING THE RISK FACTORS DESCRIBED IN GREATER DETAIL IN SECTION VI HEREIN, "PLAN-RELATED RISK FACTORS."**

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THE DEBTORS HEREBY ADOPT AND INCORPORATE EACH EXHIBIT ATTACHED TO THIS DISCLOSURE STATEMENT BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN.

# I.
# EXECUTIVE SUMMARY

Accuride Corporation, a Delaware corporation ("**Accuride**"), and each of the other debtors listed on Schedule 1 hereto (collectively, the "**Debtors**" or the "**Company**"), submit this Disclosure Statement pursuant to section 1125 of the Bankruptcy Code in connection with the solicitation of votes on the Joint Plan of Reorganization for Accuride Corporation, *et al.*, dated November 17, 2009 (the "**Plan**"),[2] which was filed by the Debtors with the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**"). The Confirmation Hearing on the Plan is scheduled to commence at 10:00 a.m. prevailing Eastern Time on February 10, 2010 before the Bankruptcy Court. The lead number for the jointly administered Chapter 11 Cases is 09-13449 (BLS). A copy of the Plan is attached hereto as Exhibit A.

Prior to soliciting votes on a proposed plan of reorganization, section 1125 of the Bankruptcy Code requires a debtor to prepare a disclosure statement containing information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding acceptance or rejection of the plan of reorganization. As such, this Disclosure Statement is being submitted in accordance with the requirements of section 1125 of the Bankruptcy Code.

This Executive Summary is being provided as an overview of the material items addressed in the Disclosure Statement and the Plan, which is qualified by reference to the entire Disclosure Statement and by the actual terms of the Plan (and including all exhibits attached hereto and to the Plan), and should not be relied upon for a comprehensive discussion of the Disclosure Statement and/or the Plan. This Disclosure Statement includes, without limitation, information about:

- the Debtors' prepetition operating and financial history;
- the events leading up to the commencement of the Chapter 11 Cases;
- the significant events that have occurred during the Chapter 11 Cases;
- the solicitation procedures for voting on the Plan;
- the Confirmation process and the voting procedures that Holders of Claims and Equity Interests who are entitled to vote on the Plan must follow for their votes to be counted;
- the terms and provisions of the Plan, including certain effects of confirmation of the Plan, certain risk factors relating to the Debtors or the Reorganized Debtors, the Plan and the securities to be issued under the Plan and the manner in which distributions will be made under the Plan; and
- the proposed organization, operations and financing of the Reorganized Debtors if the Plan is confirmed and becomes effective.

## A. PURPOSE AND EFFECT OF THE PLAN

### 1. Plan of Reorganization Under Chapter 11 of the Bankruptcy Code

[2] All capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Plan. To the extent that a definition of a term in the text of this Disclosure Statement and the definition of such term in the Plan are inconsistent, the definition included in the Plan shall control and govern.

The Debtors are reorganizing pursuant to chapter 11 of the Bankruptcy Code, which is the principal business reorganization chapter of the Bankruptcy Code. As a result, the confirmation of the Plan means that the Reorganized Debtors will continue to operate their businesses going forward and does not mean that the Debtors will be liquidated or forced to go out of business. Additionally, as discussed in greater detail in Section IV.J herein, titled "Binding Nature of the Plan," a bankruptcy court's confirmation of a plan binds the debtor, any entity acquiring property under the plan, any holder of a claim or an equity interest in a debtor and all other entities as may be ordered by the bankruptcy court in accordance with the applicable provisions of the Bankruptcy Code to the terms and conditions of the confirmed plan, whether or not such Entity voted on the Plan or affirmatively voted to reject the plan.

### 2. Financial Restructurings Under the Plan

The Plan contemplates certain transactions, including, without limitation, the following transactions (described in greater detail in Section IV herein):

- Accuride's $291 million of Subordinated Notes Claims will be converted into 98,000,000 shares of the New Common Stock of Reorganized Accuride and the holders will receive their Pro Rata share of such shares of New Common Stock. The percentage ownership represented by such shares of New Common Stock of Reorganized Accuride is subject to dilution, including dilution for (i) the Backstop Fee, (ii) exercise of the New Warrants, (ii) conversion of the New Notes issued in payment of PIK interest (as defined in Section III.H) ("**PIK Notes**") and (iii) the Equity Incentive Program;

- Accuride's common stock will be cancelled and, if the Class of Accuride Other Equity Interests votes to accept the Plan, the holders will receive their Pro Rata share of 2,000,000 shares of the New Common Stock of Reorganized Accuride and their Pro Rata share of the New Warrants exercisable for an aggregate of 22,058,824 shares of the New Common Stock of Reorganized Accuride. The percentage ownership represented by the shares of New Common Stock of Reorganized Accuride issued directly to the Holders of Accuride Other Equity Interests is subject to dilution, including dilution for (i) the Backstop Fee, (ii) exercise of the New Warrants, (ii) conversion of the New Notes and PIK Notes and (iii) the Equity Incentive Program. The percentage ownership represented by the shares of New Common Stock issued to Holders of Accuride Other Equity Interests upon conversion of the New Warrants is subject to dilution, including dilution for (i) conversion of the New Notes and PIK Notes and (ii) the Equity Incentive Program;

- the Debtors will commence a Rights Offering of $140 million principal amount of New Notes to be issued by Accuride, and the Rights Offering Participants will receive Subscription Rights in the Rights Offering;

- the Reorganized Debtors and Accuride Canada Inc., a wholly-owned subsidiary of Accuride ("**Accuride Canada**"), will enter into a Restructured Credit Facility in an amount equal to $308.2 million including (i) letters of credit and (ii) the amount of interest accrued on the Last Out Credit Agreement Claims through the date of the exit;

- the obligations under the DIP Facility will be satisfied in full in Cash on the Effective Date;

- each Holder of a Prepetition First Out Credit Agreement Other Claim will be satisfied in full by becoming a lender under the Restructured Credit Facility on a Pro Rata basis;

- each Holder of a Prepetition First Out Credit Agreement LC Claim will be satisfied in full by receiving the right to receive the letter of credit fees, the reimbursement rights and the other rights set forth in the Restructured Credit Facility Agreement;

- the Prepetition Last Out Credit Agreement Claims will be satisfied in full in Cash on the Effective Date;

- the Accuride Preferred Equity Interests will be redeemed and the Holder of the Accuride Preferred Equity Interests will receive $100 liquidation preference in Cash;

- Unsecured trade creditors will be unimpaired and their claims will be paid in full in accordance with the terms of the Plan; and

- the Holders of other Claims or Equity Interests will receive the treatment summarized in Section IV.B.2 below.

The Debtors believe that consummation of the financial restructurings proposed under the Plan will simplify and de-lever their capital structure, provide sufficient liquidity to fund their emergence from chapter 11, appropriately capitalize the Reorganized Debtors and facilitate the implementation of the Debtors' business plan.

(a) Substantive Consolidation.

The Plan is premised on the substantive consolidation of all of the Debtors with respect to the voting and treatment of all Claims and Equity Interests except for the Other Secured Claims in Class 2 and Secured Tax Claims in Class 3, as provided in the Plan. As a result, the Plan will serve as a request by the Debtors to the Bankruptcy Court that it grant substantive consolidation with respect to the treatment of all Claims and Equity Interests other than Class 2 Claims and Class 3 Claims as summarized in Section III.K herein and as further described in Section IV.D.2 herein and the Plan.

(b) Satisfaction of the Prepetition Credit Facility Claims and Entry into the Restructured Credit Facility

On the Effective Date, the Prepetition Credit Agreement and all "Loan Documents" as defined therein will, subject to satisfaction or waiver of the conditions precedent set forth in the Restructured Credit Facility Agreement, be amended, restated and superseded in their entirety by the Restructured Credit Facility Agreement and all "Loan Documents" as defined therein; *provided*, that certain "Collateral Documents" (as defined in the Prepetition Credit Agreement) will be amended, supplemented or otherwise modified and will constitute and become "Collateral Documents" (as defined in the Restructured Credit Facility Agreement), and shall secure all the obligations under the Restructured Credit Facility Agreement and the other "Loan Documents" (as defined in the Restructured Credit Facility Agreement). The Restructured Credit Facility will be secured by a first-priority lien on and security interest in substantially all of the properties and assets of the Reorganized Debtors and Accuride Canada. The terms of the Restructured Credit Facility are summarized in Section III.I herein. On the Effective Date, each Holder of a Prepetition First Out Credit Agreement Other Claim will become a "Lender" under the Restructured Credit Facility, with all of the rights set forth therein and on a Pro Rata basis, and each Holder of a Prepetition First Out Credit Agreement LC Claim will receive, as prepetition letter of credit issuer, the right to receive the letter of credit fees, the reimbursement rights and the other rights set forth in the Restructured Credit Facility Agreement. The Prepetition Last Out Credit Agreement Claims will be satisfied in full in Cash by payment of the Prepetition Last Out Credit Payment Amount.

(c) New Common Stock To be Issued Under the Plan

On the Effective Date, all Equity Interests in Accuride outstanding immediately prior to the Effective Date will be cancelled and Reorganized Accuride will issue the New Common Stock to Holders of Allowed Subordinated Notes Claims and, in the event that the Holders of Other Equity Interests in Accuride vote to accept the Plan, Holders of Allowed Accuride Other Equity Interests, pursuant to the terms set forth in the Plan. The percentage ownership represented by the New Common Stock of Reorganized Accuride issued to Holders of Allowed Subordinated Notes Claims and, if applicable, Holders of Allowed Accuride Other Equity Interests under the Plan is subject to dilution, including dilution for (i) the Backstop Fee, (ii) exercise of the New Warrants, (ii) conversion of the New Notes and PIK Notes and (iii) the Equity Incentive Program. Accuride will use its best efforts to list the New Common Stock on The New York Stock Exchange, the NASDAQ Market or another national securities exchange. The New Common Stock will be issued in accordance with applicable bankruptcy law and without

registration under the Securities Act or any similar federal, state or local law as set forth in greater detail in Section VIII herein, titled "Exemptions From Securities Act Registration."

(d) New Warrants To be Issued Under the Plan

In the event that the Holders of Other Equity Interests in Accuride vote to accept the Plan, on the Effective Date, Reorganized Accuride will issue the New Warrants to Holders of Allowed Accuride Other Equity Interests pursuant to the terms set forth in the Plan. The New Warrants will be exercisable for an aggregate of 22,058,824 shares of the New Common Stock at the price per share set forth in Exhibit E to the Plan. The percentage ownership represented by the shares of New Common Stock issued to Holders of Allowed Accuride Other Equity Interests upon conversion of the New Warrants is subject to dilution, including dilution for (i) conversion of the New Notes and PIK Notes and (ii) the Equity Incentive Program. The New Warrants will expire two years from the Effective Date.

(e) The Rights Offering and the New Notes

On the Subscription Commencement Date (which will occur as soon as possible after entry of the Disclosure Statement Order), the Debtors will commence a Rights Offering of $140 million principal amount of New Notes issued by Accuride, which will be offered to each Rights Offering Participant as of the Rights Offering Record Date. Pursuant to the Rights Offering, each Rights Offering Participant may subscribe for its Pro Rata Share of the Rights Offering Notes. Pursuant to the Backstop Commitment Agreement, the Backstop Investors have committed to purchase all Rights Offering Notes offered, but not otherwise purchased, in the Rights Offering. As compensation for their commitment, the Debtors will pay the Backstop Investors the Backstop Fee. The terms of the Rights Offering are summarized in Section III.G herein.

On the Effective Date, the New Notes will be convertible into an aggregate of (i) [187,500,000] shares of New Common Stock of Reorganized Accuride, if the Holders of Other Equity Interests in Accuride vote to accept the Plan, and (ii) [183,750,000] shares of New Common Stock of Reorganized Accuride, if the Holders of Other Equity Interests in Accuride do not vote to accept the Plan. If the Holders of Other Equity Interests in Accuride vote to accept the Plan and the New Warrants issued under the Plan are subsequently exercised in full in cash, the New Notes will be adjusted to be convertible into an aggregate of [220,588,235] shares of New Common Stock of Reorganized Accuride. The percentage ownership represented by the shares of New Common Stock issued upon conversion of the New Notes is subject to dilution, including dilution for the Equity Incentive Program. The proceeds of the Rights Offering will fund Cash payments required to be made under this Plan, including, without limitation, Transaction Expenses, the Prepetition Last Out Payment Amount and repayment of the DIP Facility Claims, and be used for general corporate purposes by the Reorganized Debtors after the Effective Date.

The New Notes will be senior unsecured obligations of Reorganized Accuride and will rank *pari passu* in right of payment to any existing senior unsecured debt of Accuride or any guarantor, and senior in right of payment to any current or future subordinated debt of Accuride or of any guarantor. The obligations of Reorganized Accuride will be guaranteed by each of Reorganized Accuride's domestic subsidiaries. The New Notes will be issued in a private placement that is exempt from registration under the Securities Act or any similar federal, state or local law as set forth in greater detail in Section VIII herein, titled "Exemptions From Securities Act Registration." The terms of the New Notes are summarized in Section III.H herein and in the term sheet attached as Exhibit D to the Plan.

(f) Equity Incentive Program for Directors and Management

Following the Effective Date, Reorganized Accuride will adopt and implement a post-Effective Date director and employee equity incentive program providing for the issuance from time to time of shares of the New Common Stock of Accuride, including the grant of incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended.

## B. ADMINISTRATIVE, DIP FACILITY AND PRIORITY TAX CLAIMS

The following is a summary of the treatment of Administrative, DIP Facility and Priority Tax Claims under the Plan. For a more detailed description of the treatment of such Claims under the Plan, please see Article II of the Plan.

### 1. Administrative Claims

Except as otherwise provided in Article II of the Plan, on the later of the Effective Date or the date on which an Administrative Claim becomes an Allowed Administrative Claim, or, in each such case, as soon as practicable thereafter, each Holder of an Allowed Administrative Claim will receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim either (i) payment in full in Cash for the unpaid portion of such Allowed Administrative Claim; or (ii) such other less favorable treatment as agreed to in writing by the Debtors or Reorganized Debtors, as applicable, and such Holder; provided, however, that Administrative Claims incurred by the Debtors in the ordinary course of business may be paid in the ordinary course of business in accordance with such applicable terms and conditions relating thereto in the discretion of the Debtors or Reorganized Debtors without further notice to or order of the Bankruptcy Court.

### 2. DIP Facility Claims

Unless otherwise agreed to by the DIP Lenders, the Allowed DIP Facility Claims will be paid and satisfied in full in Cash on the Effective Date in full satisfaction, settlement, discharge and release of, and in exchange for, such DIP Facility Claims.

### 3. Priority Tax Claims

Except as otherwise provided in Article II of the Plan and as more fully described in Section IV.A.3 hereof, each Holder of an Allowed Priority Tax Claim due and payable on or prior to the Effective Date will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Priority Tax Claim, at the election of the Debtors or Reorganized Debtors: (a) Cash in an amount equal to the amount of such Allowed Priority Tax Claim; (b) such other less favorable treatment as agreed to in writing by the Debtors or Reorganized Debtors, as applicable, and such Holder; provided, however, that such parties may further agree for the payment of such Allowed Priority Tax Claim at a later date; or (c) installment Cash payments pursuant to and in accordance with sections 1129(a)(9)(C) and (D) of the Bankruptcy Code.

## C. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

The following table provides a summary of the classification and treatment of Claims and Equity Interests and the potential distributions to Holders of Allowed Claims or Equity Interests under the Plan.

**THE PROJECTED RECOVERIES SET FORTH IN THE TABLE BELOW ARE ESTIMATES ONLY AND THEREFORE ARE SUBJECT TO CHANGE. FOR A COMPLETE DESCRIPTION OF THE DEBTORS' CLASSIFICATION AND TREATMENT OF CLAIMS OR EQUITY INTERESTS, REFERENCE SHOULD BE MADE TO THE ENTIRE PLAN AND THE RISK FACTORS DESCRIBED IN ARTICLE VI BELOW. THE TABLE IS INTENDED FOR ILLUSTRATIVE PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR A REVIEW OF THE PLAN AND DISCLOSURE STATEMENT IN THEIR ENTIRETY. FOR CERTAIN CLASSES OF CLAIMS, THE ACTUAL AMOUNT OF ALLOWED CLAIMS OR EQUITY INTERESTS COULD BE MATERIALLY DIFFERENT THAN THE ESTIMATED AMOUNTS SHOWN IN THE TABLE BELOW.**

**SUMMARY OF EXPECTED RECOVERIES**

| Class | Claim/Equity Interest | Treatment of Claim/Equity Interest | Projected Recovery Under the Plan |
|---|---|---|---|
| 1 | Other Priority Claims | Each Holder of an Allowed Class 1 Claim will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 1 Claim: | 100% |

## SUMMARY OF EXPECTED RECOVERIES

| Class | Claim/Equity Interest | Treatment of Claim/Equity Interest | Projected Recovery Under the Plan |
|---|---|---|---|
| | Expected Amount: $0 | • Cash in an amount equal to the amount of such Allowed Other Priority Claim;<br>• Such other less favorable treatment as to which the Debtors or Reorganized Debtors and the Holder of such Allowed Other Priority Claim shall have agreed upon in writing; or<br>• Such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code. | |
| 2 | Other Secured Claims<br><br>Expected Amount: $3,100,000 | Each Holder of an Allowed Class 2 Claim will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 2 Claim:<br>• Cash in an amount equal to the amount of such Other Secured Claim;<br>• Such other less favorable treatment as to which the Debtors or Reorganized Debtors and the Holder of such Allowed Other Secured Claim shall have agreed upon in writing; or<br>• Such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code. | 100% |
| 3 | Secured Tax Claims<br><br>Expected Amount: $2,300,000 | Each Holder of an Allowed Class 3 Claim will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 3 Claim:<br>• Cash in an amount equal to the amount of such Allowed Secured Tax Claim;<br>• Cash in an amount agreed to by the Debtors or the Reorganized Debtors, as applicable, and such Holder; provided, however, that such parties may further agree for the payment of such Allowed Secured Tax Claim at a later date; or<br>• at the option of the Debtors or the Reorganized Debtors, as applicable, and in accordance with section 1129(a)(9)(C) and (D) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Secured Tax Claim payable in regular installment payments over a period ending not more than five years after the Petition Date. | 100%[3] |
| 4A | Prepetition First Out Credit Agreement LC Claims<br><br>Expected Amount: Approximately $2,000,000 | Each Holder of an Allowed Class 4A Claim will receive, as prepetition letter of credit issuer, the right to receive the letter of credit fees, the reimbursement rights and the other rights set forth in the Restructured Credit Facility Agreement, in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 4A Claim. | 100% |
| 4B | Prepetition First Out Credit Agreement Other Claims<br><br>Expected Amount: Approximately $306,200,000 | Each Holder of an Allowed Class 4B Claim will become a "Lender" under the Restructured Credit Facility Agreement on a Pro Rata basis with all of the rights set forth therein, in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 4B Claim. | 100% |
| 5 | Prepetition Last Out Credit Agreement Claims<br><br>Expected amount: Approximately $70,100,000 | Each Holder of an Allowed Class 5 Claim will receive its Pro Rata share of the Prepetition Last Out Payment Amount in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 5 Claim. | 100% |

[3] Projected recoveries are illustrated based on the midpoint valuation.

**SUMMARY OF EXPECTED RECOVERIES**

| Class | Claim/Equity Interest | Treatment of Claim/Equity Interest | Projected Recovery Under the Plan |
|---|---|---|---|
| 6 | General Unsecured Claims | Each Holder of an Allowed Class 6 Claim will, at the Debtors' option and in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 6 Claim, be<br>• Reinstated and paid, subject to the terms and conditions of the legal, equitable and contractual rights in respect of any Class 6 Claim under applicable non-bankruptcy law, in Cash when due in the ordinary course of the Reorganized Debtors' business operations and not on the Effective Date; or<br>• otherwise rendered not impaired pursuant to section 1124 of the Bankruptcy Code, except to the extent that the Reorganized Debtors and such Holder agree to other less favorable treatment in writing. | 100% |
| 7 | Subordinated Notes Claims<br><br>Expected Amount: Approximately $291,000,000 | Each Holder of an Allowed Class 7 Claim will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 5 Claim, its Pro Rata share of 98,000,000 shares of the New Common Stock. | 42.9%[4] |
| 8 | Intercompany Claims | Each Holder of an Allowed Class 8 Intercompany Claims shall be Reinstated in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 8 Intercompany Claims. | 100% |
| 9 | Accuride Preferred Equity Interests | Accuride Preferred Equity Interests will be redeemed in accordance with Section 3 of the Certificate of Designation and the Holder of the Accuride Preferred Equity Interests will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 10 Equity Interest, $100 liquidation preference in Cash. In accordance with the Certificate of Designation, from and after notice of redemption, the Accuride Preferred Equity Interests will no longer be, or be deemed to be, outstanding for any purpose, and all rights, preferences and powers (including voting rights and powers) of the Accuride Preferred Equity Interests shall automatically cease and terminate. | 100% |
| 10 | Accuride Other Equity Interests | In the event the Holders of Allowed Class 10 Claims vote to reject the Plan, Accuride Other Equity Interests will be deemed canceled and will be of no further force and effect, whether surrendered for cancellation or otherwise, and the Holders of such Equity Interests will not receive any distribution or retain any property on account of such Equity Interests.<br><br>In the event Holders of Allowed Class 10 Equity Interests vote to accept the Plan, on the Initial Distribution Date, each Holder of Accuride Other Equity Interests as of the Distribution Record Date shall receive its Pro Rata share of 2,000,000 shares of the New Common Stock and its Pro Rata share of the New Warrants in satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 10 Equity Interests. | N/A |
| 11 | Equity Interests in Subsidiaries | The Reorganized Debtors will retain the Equity Interests they hold in the Subsidiaries. | 100% |

## D. SOLICITATION PROCEDURES

### 1. The Solicitation and Voting Procedures

On December [__], 2009 the Bankruptcy Court entered the Disclosure Statement Order, which, among other things, (a) approved the dates, procedures and forms applicable to the process of soliciting votes on and

[4] Projected recovery assumes the New Notes are debt obligations of Reorganized Accuride as of the Effective Date and have not been converted into shares of New Common Stock. If the New Notes were converted into shares of New Common Stock as of the Effective Date, the projected recovery under the Plan for Holders of Subordinated Notes Claims would be 32.3%.

providing notice of the Plan, as well as certain vote tabulation procedures and (b) established the deadline for filing objections to the Plan and scheduling the hearing to consider confirmation of the Plan.

**The discussion of the procedures below is a summary of the solicitation and voting process.** Detailed voting instructions will be provided with each Ballot, Beneficial Holder Ballot and Master Ballot, as applicable, and are also set forth in greater detail in Disclosure Statement Order.

PLEASE REFER TO THE INSTRUCTIONS ACCOMPANYING THE BALLOTS, BENEFICIAL HOLDER BALLOTS AND MASTER BALLOTS, AS APPLICABLE, AND THE DISCLOSURE STATEMENT ORDER FOR MORE INFORMATION REGARDING VOTING REQUIREMENTS TO ENSURE THAT YOUR BALLOT, BENEFICIAL HOLDER BALLOT OR MASTER BALLOT, AS APPLICABLE, IS PROPERLY AND TIMELY SUBMITTED SUCH THAT YOUR VOTE MAY BE COUNTED.

### 2. The Voting and Claims Agent

With the approval of the Bankruptcy Court, the Debtors retained The Garden City Group, Inc. to, among other things, act as Voting and Claims Agent.

Specifically, the Voting and Claims Agent will assist the Debtors with: (a) mailing Confirmation Hearing Notices (as defined in the Disclosure Statement Order), (b) mailing Solicitation Packages (as defined in the Disclosure Statement Order and as described below), (c) soliciting votes on the Plan, (d) receiving, tabulating, and reporting on ballots cast for or against the Plan by holders of claims against or equity interests in the Debtors, (e) responding to inquiries from creditors and stakeholders relating to the Plan, the Disclosure Statement, the ballots and matters related thereto, including, without limitation, the procedures and requirements for voting to accept or reject the Plan and objecting to the Plan, and (f) if necessary, contacting creditors regarding the Plan and their Ballots.

### 3. Holders of Claims and Equity Interests Entitled to Vote on the Plan

Under the provisions of the Bankruptcy Code, not all holders of claims against and equity interests in a debtor are entitled to vote on a chapter 11 plan. The following table provides a summary of the status and voting rights of each Class (and, therefore, of each Holder of a Claim or an Equity Interest within such Class) under the Plan:

**SUMMARY OF STATUS AND VOTING RIGHTS**

| Class | Claim/Equity Interest | Status | Voting Rights |
|---|---|---|---|
| 1 | Other Priority Claims | Unimpaired | Deemed to Accept |
| 2 | Other Secured Claims | Unimpaired | Deemed to Accept |
| 3 | Secured Tax Claims | Unimpaired | Deemed to Accept |
| 4A | Prepetition First Out Credit Agreement LC Claims | **Impaired** | **Entitled to Vote** |
| 4B | Prepetition First Out Credit Agreement Other Claims | **Impaired** | **Entitled to Vote** |
| 5 | Prepetition Last Out Credit Agreement Claims | Unimpaired | Deemed to Accept |
| 6 | General Unsecured Claims | Unimpaired | Deemed to Accept |
| 7 | Subordinated Notes Claims | **Impaired** | **Entitled to Vote** |

| SUMMARY OF STATUS AND VOTING RIGHTS | | | |
|---|---|---|---|
| **Class** | **Claim/Equity Interest** | **Status** | **Voting Rights** |
| 8 | Intercompany Claims | Unimpaired | Deemed to Accept |
| 9 | Accuride Preferred Equity Interests | Unimpaired | Deemed to Accept |
| 10 | Accuride Other Equity Interests | **Impaired** | **Entitled to Vote** |
| 11 | Equity Interests in Subsidiaries | Unimpaired | Deemed to Accept |

Based on the foregoing, the Debtors **are** soliciting votes to accept the Plan only from Holders of Claims in Classes 4A, 4B and 7 and Holders of Equity Interests in Class 10 (collectively, the "**Voting Classes**") because Holders of Claims and Equity Interests in the Voting Classes are Impaired under the Plan and, therefore, have the right to vote to accept or reject the Plan. The Debtors are **not** soliciting votes from Holders of Unimpaired Claims in Classes 1, 2, 3, 5, 6 and 8 and Holders of Equity Interests in Classes 9 and 11 because such parties are conclusively presumed to have accepted the Plan (the "**Non-Voting Class**").

### 4. The Voting Record Date

**The Bankruptcy Court has approved [December 11], 2009 as the Securities Voting Record Date with respect to Claims in Class 7 and Equity Interests in Class 10 and has approved [December 18], 2009 as the Non-securities Voting Record Date with respect to Claims in Classes 4A and 4B**. The applicable Voting Record Date is the date on which it will be determined: (a) which Holders of Claims and Equity Interests in the Voting Classes are entitled to vote to accept or reject the Plan and receive Solicitation Packages in accordance with the Disclosure Statement Order; and (b) which Holders of Claims and Equity Interests in the Non-Voting Classes are entitled to receive the Confirmation Hearing Notice, including notice of such Holder's non-voting status, in accordance with the Disclosure Statement Order.

### 5. Contents of the Solicitation Package

The following documents and materials will collectively constitute the Solicitation Package:

- (a) a cover letter from the Debtors (i) describing the contents of the Solicitation Package and instructions on how paper copies of any materials that may be provided in CD-ROM format can be obtained at no charge; (ii) explaining that the Plan Supplement will be filed on or before fourteen (14) days before the Voting Deadline; and (iii) urging the members of the voting class to vote to accept the Plan;
- the Confirmation Hearing Notice, attached as Exhibit 8 to the Disclosure Statement Order;
- this Disclosure Statement (and exhibits annexed thereto, including the Plan);
- the Disclosure Statement Order;
- to the extent applicable, a Ballot and/or notice, appropriate for the specific creditor or interest holder, in substantially the forms attached to the Disclosure Statement Order (as may be modified for particular classes and with instruction attached thereto); and
- such other materials as the Bankruptcy Court may direct.

### 6. Distribution of the Solicitation Package to Holders of Claims and Equity Interests Entitled to Vote on the Plan

With the assistance of the Voting and Claims Agent, the Debtors intend to distribute Solicitation Packages on or before **[December 29]**, 2009 (the "**Solicitation Mailing Date**"). The Debtors submit that the timing of such distribution will provide such Holders of Claims or Equity Interests with adequate time within which to review the materials required to allow such parties to make informed decisions with respect to voting on the Plan in accordance with Bankruptcy Rules 3017(d) and 2002(b). The Debtors will make every reasonable effort to ensure that Holders who have more than one Allowed Claim in a single voting Class receive no more than one Solicitation Package. If a Holder holds both Claims and Equity Interests or Claims in more than one Class and is entitled to vote in more than one Class, such Holder will receive separate Ballots which must be used for each separate Class of Claims and Equity Interests.

### 7. Distribution of Notices to Holders of Claims and Equity Interests in Non-Voting Classes and Holders of Disputed Claims and Equity Interests

As set forth above, certain Holders of Claims and Equity Interests are **not** entitled to vote on the Plan. As a result, such parties will not receive Solicitation Packages and, instead, will receive the appropriate form of notice as follows:

- Unimpaired Claims and Equity Interests – Deemed to Accept. Administrative Claims, DIP Facility Claims and Priority Tax Claims are unclassified, non-voting Claims, Claims in Classes 1, 2, 3, 5, 6 and 8 and Equity Interests in Classes 9 and 11 are Unimpaired under the Plan and, therefore, are presumed to have accepted the Plan. As such, Holders of such Claims or Equity Interests will receive, in lieu of a Solicitation Package, a "Non-Voting Status Notice With Respect to Unimpaired Classes Deemed to Accept the Plan" attached as Exhibit 4 to the Disclosure Statement Order.

- Disputed Claims or Equity Interests.

  (a) Any Holder of a Claim or an Equity Interest for which the Debtors have filed an objection, whether such objection related to the entire Claim or Equity Interest or a portion thereof, will not be entitled to vote on the Plan and will not be counted in determining whether the requirements of section 1126(c) of the Bankruptcy Code have been met with respect to the Plan. Such Holders will receive a "Non-Voting Status Notice to Holders of Claims or Equity Interests for Which an Objection has been Filed by the Debtors," attached as Exhibit 2 to the Disclosure Statement Order.

  (b) Any Holder of a Claim against or an Equity Interest in the Debtors for which such Holder has timely filed a Proof of Claim (or an untimely Proof of Claim which has been allowed as timely by the Court under applicable law on or before the applicable Voting Record Date), which, in whole or in, part reflects a disputed, unliquidated, or contingent claim or equity interest, and which is not subject to an objection filed by the Debtors, shall have its entire claim temporarily allowed for voting purposes only, and not for purposes of allowance or distribution, at $1.00. Such Holders will receive (a) a Solicitation Package which contains the applicable ballot, (b) a "Confirmation Hearing Notice," which notice informs such person or entity that its entire Claim or Equity Interest has been allowed temporarily for voting purposes only and not for purposes of allowance or distribution, at $1.00 and (c) a "Notice of Limited Voting Status to Holders of Contingent, Unliquidated or Disputed Claims or Equity Interests for Which No Objection Has Been Filed by the Debtors," attached as Exhibit 9 to the Disclosure Statement Order.

  If any Holder described in the preceding two subparagraphs disagrees with the Debtors' classification or status of its Claim or Equity Interest, then such Holder MUST file and serve a motion requesting temporary allowance of its Claim or Equity Interest solely for voting purposes in accordance with the procedures set forth in the Disclosure Statement Order.

- Contract and Lease Counterparties. Parties to certain of the Debtors' executory contracts and unexpired leases may not have scheduled Claims or Claims based upon filed Proofs of Claim pending the disposition of their contracts or leases by assumption or rejection. To ensure that such parties nevertheless receive notice of the Plan, counterparties to the Debtors' executory contracts and

unexpired leases will receive, in lieu of a Solicitation Package, a "Contract/Lease Notice" attached as Exhibit 6 to the Disclosure Statement Order.

### 8. Additional Distribution of Solicitation Documents

In addition to the distribution of Solicitation Packages to Holders of Claims and Equity Interests in Voting Classes, the Debtors will also provide parties who have filed requests for notices under Bankruptcy Rule 2002 as of the applicable Voting Record Date with the Disclosure Statement, Disclosure Statement Order and Plan. Additionally, parties may request (and obtain at the Debtors' expense) a copy of the Disclosure Statement (and any exhibits thereto, including the Plan) by: (a) calling the Voting and Claims Agent at (888) 478-2068; (b) writing to Accuride Corporation c/o The Garden City Group, Inc., PO Box 9521, Dublin, Ohio 43017-4821; and/or (c) visiting the Debtors' restructuring website at: http://www.accurideinfo.com. Parties may also obtain any documents filed in the Chapter 11 Cases for a fee via PACER at http://www.deb.uscourts.gov.

### 9. Filing of the Plan Supplement

The Debtors will file the Plan Supplement no later than January 15, 2010, which date is fourteen (14) days before the Voting Deadline. The Debtors will transmit a copy of the Plan Supplement to the Distribution List, as defined in this Section D.9. Additionally, parties may request (and obtain at the Debtors' expense) a copy of the Plan Supplement by: (a) calling the Voting and Claims Agent at (888) 478-2068; (b) writing to Accuride Corporation c/o The Garden City Group, Inc., PO Box 9521, Dublin, Ohio 43017-4821; and/or (c) visiting the Debtors' restructuring website at: http://www.accurideinfo.com. Parties may also obtain any documents filed in the Chapter 11 Case for a fee via PACER at http://www.deb.uscourts.gov.

The Plan Supplement will include, without limitation, the following documents, to the extent not already filed as exhibits to the Plan or this Disclosure Statement:

- the Amended Organizational Documents;
- the list of Executory Contracts and Unexpired Leases designated by the Debtors to be rejected on the Effective Date;
- a non-exclusive list of Litigation Claims held by the Debtors as of the Effective Date;
- a list of Non-Released Parties; and
- the New Indenture.

As used herein, the term "**Distribution List**" means (a) the Office of the United States Trustee, (b) counsel for the Committee, (c) counsel to the DIP Agent, (d) counsel to the Prepetition Lenders, (e) counsel to the Ad Hoc Noteholders Group, (f) the Securities and Exchange Commission, (g) the Internal Revenue Service and (h) all parties that, as of the applicable date of determination, have filed requests for notice in the Chapter 11 Cases pursuant to Bankruptcy Rule 2002.

## E. VOTING PROCEDURES

Holders of Claims or Equity Interests entitled to vote on the Plan are advised to read the Disclosure Statement Order, which set forth in greater detail the voting instructions summarized herein.

### 1. The Voting Deadline

**The Bankruptcy Court has approved 4:00 p.m. prevailing Eastern Time on January 29, 2010 as the Voting Deadline.** The Voting Deadline is the date by which all Ballots, Beneficial Holder Ballots and Master

Ballots, as applicable, must be properly executed, completed and delivered to the Voting and Claims Agent in order to be counted as votes to accept or reject the Plan.

### 2. Types of Ballots

The Debtors will provide the following ballots to Holders of Claims and Equity Interests in the Voting Classes (i.e. Classes 4A, 4B, 7 and 10):

- "***Ballots***", the form of which is attached to the Disclosure Statement Order as Exhibit 3-A and 3-B, will be sent to all Holders of Class 4A Prepetition First Out Credit Agreement LC Claims and Holders of Class 4B Prepetition First Out Credit Agreement Other Claims, respectively;

- "***Beneficial Holder Ballots***", the forms of which are attached to the Disclosure Statement Order as Exhibits 3-C and 3-E will be sent to Beneficial Holders of Class 7 Subordinated Notes Claims and Class 10 Accuride Other Equity Interests, respectively; and

- "***Master Ballots***", the forms of which are attached to the Disclosure Statement Order as Exhibits 3-D and 3-F, will be sent to Registered Record Owners and Intermediary Record Owners holding Subordinated Notes and Accuride Other Equity Interests, respectively, for, and voting on behalf of, Beneficial Holders of Class 7 Subordinated Notes Claims and Class 10 Accuride Other Equity Interests.

### 3. Voting Instructions

Under the Plan, Holders of Claims and Equity Interests in the Voting Classes are entitled to vote to accept or reject the Plan. Those Holders may so vote by completing a Ballot, Beneficial Holder Ballot and/or Master Ballot, as applicable, and returning it to the Voting and Claims Agent prior to the Voting Deadline. There are special voting rules/procedures, however, for Beneficial Holders of Class 7 Subordinated Notes Claims and Class 10 Accuride Other Equity Interests, which are discussed in Section I.E.4 herein (and set forth in greater detail in the Disclosure Statement Order).

**PLEASE REFER TO THE INSTRUCTIONS ATTACHED TO THE BALLOTS, BENEFICIAL HOLDER BALLOTS OR MASTER BALLOTS THAT YOU HAVE RECEIVED FOR MORE DETAILED INFORMATION REGARDING THE VOTING REQUIREMENTS, RULES AND PROCEDURES APPLICABLE TO VOTING YOUR CLAIM OR EQUITY INTEREST.**

To be counted as votes to accept or reject the Plan, all Ballots, pre-validated Beneficial Holder Ballots and Master Ballots, as applicable, (all of which will clearly indicate the appropriate return address) must be properly executed, completed, dated and delivered by using the return envelope provided by (a) first class mail, (b) overnight courier or (c) personal delivery, so that they are **actually received** on or before the Voting Deadline by the Voting and Claims Agent at the following address:

The Garden City Group, Inc.
Attn: Accuride Ballot Processing Center
P.O. Box 9521
Dublin, Ohio 43017-4821

If you have any questions on the procedures for voting on the Plan, please call the Voting and Claims Agent at: (888) 478-2068

******BENEFICIAL HOLDERS OF CLASS 7 SUBORDINATED NOTES CLAIMS AND CLASS 10 ACCURIDE OTHER EQUITY INTERESTS MUST EXECUTE, COMPLETE AND RETURN THEIR BENEFICIAL HOLDER BALLOTS IN ACCORDANCE WITH THE DISTINCT RULES FOR VOTING THEIR CLASS 7 CLAIMS AND CLASS 10 EQUITY INTERESTS SET FORTH IN SECTION I.E.4 BELOW.******

**4. Voting Instructions Specific to Beneficial Holders of Class 7 Subordinated Notes Claims and Class 10 Accuride Other Equity Interests Entitled to Vote on the Plan**

Prior to the Solicitation Mailing Date, the Voting and Claims Agent will determine the identity of those Registered Record Owners and Intermediary Record Owners (collectively, "**Record Owners**") holding Subordinated Notes or Accuride Other Equity Interests on behalf of Beneficial Holders as of the applicable Voting Record Date and will distribute an appropriate number of Solicitation Packages to such Record Owners to allow them to forward one to each applicable Beneficial Holder. Intermediate Record Holders will distribute Solicitation Packages to the respective Beneficial Holders within seven (7) days of receiving Solicitation Packages.

Record Owners who elect to pre-validate Beneficial Holder Ballots must deliver Solicitation Packages, including pre-validated Beneficial Holder Ballots, to Beneficial Holders along with a pre-addressed return envelope addressed to the Voting and Claims Agent. Beneficial Holders who receive pre-validated Beneficial Holder Ballots must complete, date, execute and deliver such Beneficial Holder Ballots directly to the Voting and Claims Agent so they are actually received on or before the Voting Deadline.

Record Owners who do not elect to pre-validate Beneficial Holder Ballots must deliver to the Beneficial Holders the Solicitation Packages, including Beneficial Holder Ballots and pre-addressed return envelops addressed to the Record Owners. Upon the return of completed Beneficial Holder Ballots, such Record Owners will summarize and compile the votes cast and/or other relevant information onto the Master Ballots and date and return the Master Ballot(s) so that they are actually received on or before the Voting Deadline by the Voting and Claims Agent.

**5. Tabulation of Votes**

**THE FOLLOWING IS IMPORTANT INFORMATION REGARDING VOTING THAT SHOULD BE READ CAREFULLY BY ALL HOLDERS OF CLAIMS AND EQUITY INTERESTS IN VOTING CLASSES.**

- FOR YOUR VOTE TO BE COUNTED, YOUR BALLOT, BENEFICIAL HOLDER BALLOT OR MASTER BALLOT, AS APPLICABLE, MUST BE PROPERLY EXECUTED, COMPLETED, DATED AND DELIVERED SUCH THAT IT IS **ACTUALLY RECEIVED** ON OR BEFORE THE VOTING DEADLINE BY THE VOTING AND CLAIMS AGENT.

- A HOLDER OF A CLAIM OR AN EQUITY INTEREST MAY CAST ONLY ONE VOTE PER EACH CLAIM OR EQUITY INTEREST SO HELD. BY SIGNING AND RETURNING A BALLOT, BENEFICIAL HOLDER BALLOT OR MASTER BALLOT, EACH HOLDER OF A CLAIM OR AN EQUITY INTEREST WILL CERTIFY TO THE BANKRUPTCY COURT AND THE DEBTORS THAT NO OTHER BALLOTS, BENEFICIAL HOLDER BALLOTS OR MASTER BALLOTS WITH RESPECT TO SUCH CLAIM OR EQUITY INTEREST HAS BEEN CAST OR, IF ANY OTHER BALLOTS, BENEFICIAL HOLDER BALLOTS OR MASTER BALLOTS HAVE BEEN CAST WITH RESPECT TO SUCH CLAIM OR EQUITY INTEREST, SUCH EARLIER BALLOTS, BENEFICIAL HOLDER BALLOTS OR MASTER BALLOTS ARE THEREBY SUPERSEDED AND REVOKED.

- **ANY BALLOT, BENEFICIAL HOLDER BALLOT OR MASTER BALLOT THAT IS RECEIVED AFTER THE VOTING DEADLINE WILL NOT BE COUNTED TOWARD CONFIRMATION OF THE PLAN UNLESS THE DEBTORS HAVE GRANTED AN**

**EXTENSION OF THE VOTING DEADLINE IN WRITING WITH RESPECT TO SUCH BALLOT, BENEFICIAL HOLDER BALLOT OR MASTER BALLOT.**

- **ADDITIONALLY, THE FOLLOWING BALLOTS, BENEFICIAL HOLDER BALLOTS AND MASTER BALLOTS WILL NOT BE COUNTED:**

  - any Ballot, Beneficial Holder Ballot or Master Ballot that the Debtors determine, after consultation with the Committee and the Ad Hoc Noteholders Group, is illegible or contains insufficient information to permit the identification of the Holder of the Claim or Equity Interest;

  - any Ballot, Beneficial Holder Ballot or Master Ballot cast by an entity that does not hold a Claim or Equity Interest in a Class that is entitled to vote on the Plan;

  - any Ballot, Beneficial Holder Ballot or Master Ballot cast for a Claim or Equity Interest not listed on the Schedules or Scheduled at zero, in unknown amount, or listed in the Schedules in whole or in part, as contingent, unliquidated or disputed for which the applicable bar date has passed and no Proof of Claim was timely filed;

  - any Ballot, Beneficial Holder Ballot or Master Ballot that (a) is properly completed, executed and timely filed, but does not indicate an acceptance or rejection of the Plan, or (b) indicates both an acceptance and rejection of the Plan, or (c) partially accepts and partially rejects the Plan

  - any Ballot, Beneficial Holder Ballot or Master Ballot cast for a Claim or Equity Interest that is subject to an objection pending as of the applicable Voting Record Date (except as otherwise provided in the Disclosure Statement Order);

  - any Ballot, Beneficial Holder Ballot or Master Ballot sent to the Court, the Debtors, the Debtors' agents/representatives (other than the Voting and Claims Agent), the Indenture Trustees or the Debtors' financial or legal advisors;

  - any Ballot, Beneficial Holder Ballot or Master Ballot transmitted by facsimile, telecopy or electronic mail;

  - any unsigned Ballot, Beneficial Holder Ballot or Master Ballot; or

  - any Ballot, Beneficial Holder Ballot or Master Ballot not cast in accordance with the procedures approved in the Disclosure Statement Order.

## F. CONFIRMATION OF THE PLAN

### 1. The Confirmation Hearing

**The Confirmation Hearing will commence at 10:00 a.m prevailing Eastern Time on February 10, 2010** before the Honorable Brendan Linehan Shannon, United States Bankruptcy Judge, in the United States Bankruptcy Court for the District of Delaware, located at 824 Market Street, 6th Floor, Courtroom 1, Wilmington, Delaware 19801-3024. The Confirmation Hearing may be continued from time to time by the Bankruptcy Court or the Debtors without further notice other than by such adjournment being announced in open court or by a notice of adjournment filed with the Bankruptcy Court and served on such parties as the Bankruptcy Court may order. Moreover, the Plan may be modified or amended, if necessary, pursuant to section 1127 of the Bankruptcy Code, prior to, during or as a result of the Confirmation Hearing, without further notice to parties-in-interest.

### 2. The Deadline for Objecting to Confirmation of the Plan

**The Confirmation Objection Deadline is 4:00 p.m. prevailing Eastern Time on [January 29], 2010.** Any objection to confirmation of the Plan must: (i) be in writing; (ii) conform to the Bankruptcy Rules and the Local Rules; (iii) state the name of the objecting party and the amount and nature of the Claim of such Entity or the amount of Equity Interests held by such Entity; (iv) state with particularity the legal and factual bases and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection; and (v) be filed, contemporaneously with a proof of service, with the Bankruptcy Court and served so that it is **actually received** no later than the Confirmation Objection Deadline by the parties set forth below (the "**Notice Parties**"). CONFIRMATION OBJECTIONS NOT TIMELY FILED AND SERVED IN THE MANNER SET FORTH HEREIN MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT AND MAY BE OVERRULED WITHOUT FURTHER NOTICE.

*Notice Parties*

(a) Counsel to the Debtors, Latham & Watkins LLP, Suite 5800 Willis Tower, 233 South Wacker Drive, Chicago, Illinois 60611 (Attn: David S. Heller, Josef S. Athanas and Caroline A. Reckler) and Young Conway, Stargatt & Taylor LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, Delaware 19801 (Attn: Michael R. Nestor and Kara H. Coyle);

(b) Counsel to the Committee, Irell & Manella LLP, 840 Newport Center Drive, Suite 400, Newport Beach, CA 92660 (attn: Jeffrey Reisner);

(c) Counsel to the Ad Hoc Noteholders Group, Milbank, Tweed, Hadley & McCloy LLP, 601 South Figueroa Street, Los Angeles, California 90017 (Attn: Paul Aronzon, Paul Denaro and Robert C. Shenfeld);

(d) Counsel to the DIP Agent and the Prepetition Lenders, White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036-2787 (Attn: Scott Greissman and Elizabeth Feld);

(e) The Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, Delaware 19801 (Attn: Jane Leamy).

### 3. Effect of Confirmation of the Plan

Article X of the Plan contains certain provisions relating to (a) the compromise and settlement of Claims and Equity Interests, (b) the release of the Released Parties by the Debtors and the Holders of Claims or Equity Interests, and each of their respective Related Persons, and (c) exculpation of certain parties. **It is important to read such provisions carefully so that you understand the implications of these provisions with respect to your Claim or Equity Interest such that you may cast your vote accordingly.**

THE PLAN SHALL BIND ALL HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NOTWITHSTANDING WHETHER OR NOT SUCH HOLDER (A) WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE PLAN, (B) HAS FILED A PROOF OF CLAIM IN THE CHAPTER 11 CASES OR (C) FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN OR VOTED TO REJECT THE PLAN.

## G. CONSUMMATION OF THE PLAN

It will be a condition to confirmation of the Plan that all provisions, terms and conditions of the Plan are approved in the Confirmation Order unless otherwise satisfied or waived pursuant to the provisions of Article IX of the Plan. Following confirmation, the Plan will be consummated on the Effective Date.

## H. RISK FACTORS

**PRIOR TO DECIDING WHETHER AND HOW TO VOTE ON THE PLAN, EACH HOLDER OF A CLAIM OR AN EQUITY INTEREST IN A VOTING CLASS SHOULD CONSIDER CAREFULLY ALL**

**OF THE INFORMATION IN THIS DISCLOSURE STATEMENT, INCLUDING THE RISK FACTORS DESCRIBED IN SECTION VI HEREIN TITLED, "PLAN-RELATED RISK FACTORS."**

## II.
## BACKGROUND TO THE CHAPTER 11 CASES

### A. THE DEBTORS' CORPORATE HISTORY

Accuride and Accuride Canada were incorporated in November 1986 for the purpose of acquiring substantially all of the assets of a division of The Firestone Tire & Rubber Company. In 1988, Accuride was purchased by Phelps Dodge Corporation. In November 1997, Accuride entered into a stock subscription agreement with an affiliate of Kohlberg Kravis Roberts & Co. L.P. ("**KKR**") through which KKR acquired a controlling interest in Accuride. In January 2005, a wholly owned subsidiary of Accuride was merged with and into Transportation Technologies Industries, Inc. ("**TTI**"), resulting in TTI becoming a wholly owned subsidiary of Accuride. On April 26, 2005, Accuride completed the initial public offering of 11 million shares of common stock, which was traded on the New York Stock Exchange under the symbol "ACW." On November 12, 2008, Accuride's common stock was removed from the NYSE and began trading under the symbol "AURD" on the Over The Counter Bulletin Board. On January 1, 2009, Accuride offset the principal (approximately $64 million ) owed by Accuride Canada under three promissory notes against amounts owed by Accuride to Accuride Canada on account of Accuride's purchase of steel wheels (approximately $86.8 million). Immediately after the offset of the principal balance of the Notes, Accuride owed Accuride Canada approximately $22 million. There are currently approximately 47,506,895 shares of common stock outstanding and one share of Series A preferred stock outstanding.

### B. OVERVIEW OF THE DEBTORS' BUSINESS

The Debtors are among the largest and most diversified manufacturers and suppliers of commercial vehicle components in North America. The Company's products include wheels, wheel-end components and assemblies, truck body and chassis parts, seating assemblies and other commercial vehicle components. These products are marketed under several well-recognized brands in the industry, including Accuride, Gunite, Imperial, Bostrom, Fabco, Brillion and Highway Original.

#### 1. Business Operations and Sales

While Accuride is headquartered in Evansville, Indiana, the Company has approximately 2,268 active employees and 19 technologically-advanced facilities across the United States, Mexico, and Canada. Among the active employees, 1,892 are located in the United States, 146 are located in Canada, and 230 are located in Mexico. The Company's U.S. manufacturing operations are located in Alabama, California, Illinois, Indiana, Kentucky, Ohio, Pennsylvania, Tennessee, Texas, Virginia, Washington, and Wisconsin. In addition, the Company has manufacturing facilities located in Canada and Mexico. A corporate organization chart is attached as hereto as Exhibit B.

The Company's consolidated net sales were approximately $1.4 billion in 2006, $1.0 billion in 2007, $931.4 million in 2008, and $424.0 for the 9 months ending September 30, 2009. The Company's consolidated net income was approximately $65.1 million in 2006, a net loss of $8.6 million in 2007, a net loss of $328.3 million in 2008, and a net loss of $100.5 million for the 9 months ending September 30, 2009. The Company's consolidated EBITDA was approximately $211.7 million in 2006, $99.3 million in 2007, $41.7 million in 2008, and $13.1 million for the 9 months ending September 30, 2009.

The Debtors offer the broadest product line in the North American heavy- and medium-duty wheel industry. The Company is the only North American manufacturer and supplier of both steel and forged aluminum heavy- and medium-duty wheels. The Company produces wheels for buses, commercial light trucks, heavy-duty pick-up trucks, and military vehicles. The Company's line of heavy- and medium-duty wheels accounted for approximately 41.2% of the Company's first 9 months of 2009 net sales, 42% of the Company's 2008 net sales, and 47% of the Company's 2007 net sales.

The Debtors are a leading North American supplier of wheel-end components and assemblies to the heavy- and medium-duty truck markets and related aftermarket. The Company markets wheel-end components and assemblies under the Gunite brand. The Company produces basic wheel-end systems including: disc wheels, hubs, brake drums, spoke wheel/brake drum assemblies, spoke wheel/brake rotor assemblies, and disc wheel hub/brake rotor assemblies. The Company also manufactures a full line of wheel-end components for the heavy- and medium-duty truck markets, such as brake drums, disc wheel hubs, spoke wheels, rotors and automatic slack adjusters. The Company's line of wheel-end components and assemblies accounted for approximately 26.8% of the Company's first 9 months of 2009 net sales, 23% of the Company's 2008 net sales, and 20% of the Company's 2007 net sales.

The Company is a leading supplier of truck body and chassis parts to heavy- and medium-duty truck manufacturers, including bus manufacturers. The Company fabricates a broad line of truck body and chassis parts under the Imperial brand name, including bumpers, battery and toolboxes, crown assemblies, bus component and chassis assemblies, fuel tanks, roofs, fenders, and crossmembers. The Company also provides a variety of value-added services, such as chrome plating and polishing, hood assembly, and the kitting and assembly of exhaust systems. The Company specializes in the fabrication of components requiring a significant amount of tooling or customization. The Company's truck body and chassis parts manufacturing operations are characterized by low-volume production runs. The Company's line of truck body and chassis parts accounted for approximately 12.7% of the Company's first 9 months of 2009 net sales, 12% of the Company's 2008 net sales, and 14% of the Company's 2007 net sales.

Under the Bostrom brand name, the Debtors design, engineer and manufacture air suspension and static seating assemblies for heavy- and medium-duty trucks, related aftermarkets, and school and transit buses. The majority of North American heavy-duty truck manufacturers offer the Company's seats as standard equipment or as an option. Seating assemblies are primarily differentiated on comfort, price, and quality, with driver comfort being especially important given the substantial amount of time that truck drivers spend on the road. The Company's line of air suspension and static seating assemblies accounted for approximately 4.1% of the Company's first 9 months of 2009 net sales, 4% of the Company's 2008 net sales, and 5% of the Company's 2007 net sales.

The Debtors also produce other commercial vehicle components, including steerable drive axles and gearboxes as well as engine and transmission components. These other product lines accounted for approximately 15.2% of the Company's first 9 months of 2009 net sales, 19% of the Company's 2008 net sales, and 15% of the Company's 2007 net sales.

### 2. Customers

The vast majority of the Debtors' sales are to the heavy- and medium-duty truck and commercial trailer original equipment manufacturers ("**OEMs**") and their related aftermarkets. The remainder of sales are made to customers in the light truck, specialty and military vehicle and other industrial markets. The Company markets components to more than 1,000 customers and its customer base includes substantially all of the leading North American commercial vehicle OEMs, such as Daimler Truck North America, LLC, with its Freightliner, Western Star and Thomas Built brand trucks; PACCAR, Inc., with its Peterbilt and Kenworth brand trucks; Navistar Corporation, with its International brand trucks; and Volvo Truck Corporation, or Volvo/Mack, with its Volvo and Mack brand trucks. In addition, the Company markets to the major aftermarket suppliers, including OEM dealer networks, wholesale distributors, and aftermarket buying groups. The Company's primary commercial trailer customers include leading commercial trailer OEMs, such as Great Dane Limited Partnership and Wabash National, Inc. The Company's largest customers are Daimler Truck North America, PACCAR, Navistar Corporation, and Volvo/Mack, which, combined, accounted for approximately 54.5% of the Company's first 9 months of net sales in 2009. Accuride's largest light truck customer is General Motors Corporation. Accuride Canada manufactures parts, which are then sold to Accuride to on-sell to General Motors.

### 3. Competition, Cyclicality, and Seasonality

The Company operates in highly competitive markets. However, no single manufacturer competes with all of the products manufactured and sold by the Company in the heavy- and medium-duty truck market, and the degree of competition varies among the different products that the Company sells. In each of the Company's markets, the

Company competes on the basis of price, manufacturing and distribution capabilities, product quality, product design, product line breadth, delivery, and service.

The commercial vehicle components industry is highly cyclical, and in large part, depends on the overall strength of the demand for heavy- and medium-duty trucks. These industries have historically experienced significant fluctuations in demand based on factors such as general economic conditions, gas prices, interest rates, government regulations, and consumer confidence. In addition, the Company's operations are typically seasonal as a result of regular customer maintenance and model changeover shutdowns, which typically occur in the third and fourth quarter of each calendar year. This seasonality can result in decreased net sales and profitability during the third and fourth quarters of each calendar year.

## C. OVERVIEW OF THE PREPETITION CAPITAL STRUCTURE

### 1. Senior Credit Facility

Accuride and Accuride Canada are borrowers (the "**Borrowers**") under the Fourth Amended and Restated Credit Agreement, dated as of January 31, 2005 (the "**Prepetition Credit Agreement**"), and amended pursuant to that certain First Amendment, dated as of November 28, 2007 (the "**First Amendment**"), that certain Second Amendment, dated as of January 28, 2009 (the "**Second Amendment**"), that certain Third Amendment and Consent to the Fourth Amended and Restated Credit Agreement; and First Amendment to the Amended and Restated Guarantee and Collateral Agreement, dated as of August 14, 2009 (the "**Third Amendment**") and that certain Fourth Amendment and Canadian Forbearance Agreement, dated as of October 8, 2009 (the "**Fourth Amendment**"). As set forth in the Prepetition Credit Agreement, Accuride is the "**U.S. Borrower**" and Accuride Canada is the "**Canadian Borrower**."

The senior secured credit facilities provided for under the Prepetition Credit Agreement (the "**Prepetition Credit Facilities**") consist of (a) a U.S. term credit facility in an aggregate principal amount of $550 million, which requires annual amortization payments of 1% per year, with the balance payable on January 31, 2011 (the "**Prepetition Term Facility**"); (b) a U.S, revolving credit facility in an aggregate principal amount of up to $76 million (the "**Prepetition US Revolver**") and (c) a Canadian revolving credit facility in an aggregate principal amount of up to $24 million (the "**Prepetition Canadian Revolver**", and together with the Prepetition US Revolver, the "**Prepetition Revolving Facility**"). In April 2009, Accuride made a draw of $30.6 million under the Prepetition Revolving Facility, which reduced availability under the Prepetition Revolving Facility to approximately $1.5 million, excluding $24.2 million of unfunded commitments held by Lehman Commercial Paper, Inc. The commitments under the Prepetition Revolving Facility were terminated on the Petition Date. As of the Petition Date, the outstanding balance under the Prepetition Credit Facilities, including undrawn letters of credit, was approximately $304.6 million.

Accuride's obligations under the Prepetition Credit Agreement are guaranteed by all of Accuride's domestic subsidiaries. Accuride Canada's obligations under the Prepetition Credit Agreement are guaranteed by Accuride and all of Accuride's domestic subsidiaries. The obligations of Accuride and its domestic subsidiaries under the Prepetition Credit Agreement and the related guarantees are secured by, among other things, a first-priority lien on and security interest in substantially all of the U.S. properties and assets of Accuride and its domestic subsidiaries. Additionally, the Debtors are obligated in the amount of approximately $2.2 million to Deutsche Bank AG, as counterparty on account of a Bank Hedge Agreement (as defined in the Prepetition Credit Agreement) which terminated shortly after the Petition Date. Payment of such amount comprises part of the First Out Loan Obligations (as defined in the Prepetition Credit Agreement) for all purposes and is secured by the Debtors' assets and property on a *pari passu* basis with the other obligations under the Prepetition Credit Agreement.

The obligations of Accuride Canada under the Prepetition Credit Agreement are secured by substantially all of the properties and assets of Accuride Canada and, by virtue of the guarantees, all of the properties and assets of Accuride and Accuride's domestic subsidiaries.

### 2. Senior Subordinated Notes

Effective January 31, 2005, Accuride issued $275 million aggregate principal amount of the Subordinated Notes pursuant to the Indenture. Interest on the Subordinated Notes is payable on February 1 and August 1 of each year. The aggregate Subordinated Notes Claims, including interest accrued through the Petition Date, are $291 million. The Subordinated Notes are general unsecured obligations ranking senior in right of payment to all of Accuride's existing and future subordinated indebtedness. The Subordinated Notes are subordinated to all existing and future senior indebtedness including indebtedness incurred under the Prepetition Credit Agreement. Although initially issued in a private placement, through an exchange offer in May 2005, the Subordinated Notes were registered under the Securities Act.

### 3. February 2009 Transactions

In late 2008, Accuride realized that it would soon be in violation of certain financial covenants under the Prepetition Credit Agreement in light of continuing deterioration in the Company's business due to, among other things, the recession discussed below. In order to avoid breaching these covenants, in February 2009, Accuride completed a series of transactions to provide the Company with financial covenant relief and enhanced liquidity for fiscal 2009 (the "**February Transactions**").

The February Transactions included the Second Amendment and a transaction with Sun Accuride Debt Investments, LLC ("**Sun Capital**"), an affiliate of Sun Capital Securities Group, LLC, in which Sun Capital became the holder of approximately $70 million principal amount of Accuride's indebtedness outstanding under the Prepetition Term Facility (the "**Sun Loans**"). In connection with such transaction with Sun Capital, Sun Capital executed a certain Last Out Debt Agreement (the "**Prepetition Last Out Debt Agreement**").

The Second Amendment, among other things, adjusted certain financial covenants under the Prepetition Credit Agreement applicable to the fourth quarter of 2008 through the fourth quarter of 2010, including senior secured leverage, leverage, interest coverage and fixed charge coverage ratios, and extended the maturity date of the Prepetition Revolving Facility until January 31, 2011. Accuride was able to negotiate these adjusted financial covenants with the Prepetition Lenders as a result of Sun Capital's willingness to subordinate its right to payment of the Sun Loans (the "**Prepetition Last Out Loans**") to the payment in full of the other loans outstanding under the Prepetition Term Facility (the "**Prepetition First Out Loans**"). Sun Capital also agreed to modify certain voting provisions and other rights of the holder of the Prepetition Last Out Loans under the Prepetition Credit Agreement.

Under the Second Amendment, Accuride re-priced the indebtedness outstanding under the Prepetition Credit Agreement as follows:

(a) Interest on the Prepetition First Out Loans and on debt outstanding under the Prepetition Revolving Facility will accrue at an annual rate of LIBOR plus 500 basis points, with a LIBOR floor of 300 basis points;

(b) Interest on the Prepetition Last Out Loans will accrue at an annual rate of (i) LIBOR plus 1000 basis points per annum, with a LIBOR floor of 300 basis points (the "**PIK Rate**"), if interest is payable in kind ("**PIK**") on any relevant interest payment date, or (ii) LIBOR plus 800 basis points per annum, with a LIBOR floor of 300 basis points (the "**Cash Pay Rate**"), if interest is payable in cash on any relevant interest payment date;

(c) Until December 31, 2009, interest on the Prepetition Last Out Loans will accrue at the PIK Rate. After December 31, 2009, interest on the Prepetition Last Out Loans will accrue at the PIK Rate unless certain conditions shall have been satisfied as of the relevant interest payment date (including (i) average liquidity of the Company, as of the last day of the immediately preceding fiscal quarter, shall have exceeded a certain amount and (ii) Accuride shall have been in compliance with the financial covenants set forth in the Prepetition Credit Agreement at the end of the most recently ended financial quarter for which financial statements were delivered to the Prepetition Agent). If these conditions are satisfied, interest on the Prepetition Last Out Loans will accrue at the Cash Pay Rate and be payable in cash. Because Accuride was not in compliance with the financial covenants set forth in the Prepetition Credit Agreement on September 30, 2009,

Accuride does not contemplate that interest on the Prepetition Last Out Loans will accrue at the Cash Pay Rate or be payable in cash after December 31, 2009. Interest on the Prepetition Last Out Loans accruing at the PIK Rate is payable on a first-out basis as a Prepetition First Out Loan.

In connection with the Prepetition Last Out Loans and pursuant to the Prepetition Last Out Debt Agreement, Accuride issued a warrant (the "**Prepetition Warrant**") to Sun Capital exercisable for up to twenty-five percent (25%) of Accuride's fully-diluted common stock. Sun Capital partially exercised the Prepetition Warrant on September 28, 2009, obtaining 24.5% of Accuride's then outstanding common stock.

In connection with the Prepetition Last Out Loans, Accuride also issued a new class of preferred stock (the "**Class A Preferred Share**") to Sun Capital. The Class A Preferred Share grants the holder the right to nominate five directors (the "**Sun Capital Directors**") and nominate one independent director to Accuride's board of directors. As part of the February Transactions, Accuride also amended its Bylaws to require the approval of two-thirds of Acccuride's board of directors for certain corporate actions. Accordingly, approval from the Sun Capital Directors is needed in order for the Company to undertake those corporate actions that require approval of two-thirds of Acccuride's board of directors.

## D. LITIGATION CLAIMS

A non-exhaustive list of Accuride's litigation claims is set forth on Plan Schedule 2. Among other litigation, Accuride has filed a claim against Forgitron Technologies, LLC and Automated Wheels, LLC, for the alleged misappropriation of Accuride's trade secrets relating to the manufacture of aluminum wheels. The portion of the suit against Forgitron Technologies, LLC was settled on October 1, 2009. The portion of the suit against Automated Wheels, LLC continues. Additionally, Accuride has tendered a request for indemnification from Shanghai Baolong Industries, Co., Ltd. regarding an open product liability issue.

## E. EVENTS LEADING TO THE CHAPTER 11 FILING

### 1. Global Economic Crisis and Automotive Industry

In late 2008, the current global economic crisis began, significantly affecting the automotive industry. The purchase of new commercial vehicles is highly dependent upon macroeconomic factors, such as Gross Domestic Product and interest rates. In addition, the commercial vehicle components industry is highly cyclical and, in large part, depends on the overall strength of the demand for heavy- and medium-duty trucks. These industries have historically experienced significant fluctuations in demand based on factors such as general economic conditions, gas prices, interest rates, government regulations, and consumer confidence. Following the economic recession in 2001 and through 2006, the commercial vehicle industry experienced increasing demand for new vehicles as trucking fleets replaced aging vehicles ahead of new EPA standards effective in January 2007 requiring lower emissions for diesel engines. As forecasted by the industry analysts, including America's Commercial Transportation Publications, industry demand declined in the first half of 2007 by approximately 23% from the previous year as trucking fleets reduced purchases of new vehicles. Beginning in late 2007, trucking fleets began to delay purchases as the freight environment weakened as growth in the U.S. economy began to slow. Following the economic meltdown in late 2008, the already weak freight environment continued to erode which created excess capacity in the trucking industry allowing fleets to further delay new truck purchases. Exacerbated by the current, unprecedented downturn in the U.S. economy and tightened credit terms, demand for commercial vehicles in 2009 is forecasted by industry analysts to decline, for the third consecutive year, to levels not seen since the recession of 1982.

The impact of the prolonged and severely depressed demand for trucks and trailers in the commercial vehicle industry has substantially and negatively impacted the Debtors. The Company's enterprise value has substantially declined and the Company's stock price has decreased from a high of $16.91 per share in 2007, to a high of $8.93 per share in 2008, to a current price of less than $0.20 per share. The Subordinated Notes are also selling at a discount to face value.

In addition, Accuride's production and consolidated net sales volumes are down in all product lines. The Company's consolidated net sales in the second quarter of 2009 were down approximately forty-five percent (45%) as compared to second quarter of 2008. The Company's consolidated gross profit also fell to $55.6 million in 2008, down $30.9 million from the 2007 gross profit of $86.5 million. These decreases are primarily due to reduced sales and operating inefficiencies related to low production volume.

In response to the global economic crisis, in September 2008 the Company engaged in a strategic restructuring to reduce expenses, increase competitiveness, strengthen customer relationships and enhance shareholder value. The two key components of the strategic restructuring were a significant reduction in staffing levels and a focus on cost savings primarily related to inventory reductions, headcount and freight costs. The financial benefits associated with this strategic restructuring are expected to begin in fiscal year 2010.

## 2. Credit Agreement Waivers; Indenture Forbearance Agreements

*Credit Agreement Waivers*

During the second quarter of 2009, the Company determined that, as of June 30, 2009, it would likely be in violation of certain financial covenants under the Prepetition Credit Facilities. As a result, effective on July 8, 2009, Accuride, Accuride Canada, Accuride's domestic subsidiaries, the Prepetition Lenders, Citicorp USA, Inc., as existing administrative agent, and the Prepetition Agent, as successor administrative agent, entered into a temporary waiver agreement with respect to the Prepetition Credit Agreement ("**First Temporary Waiver**"). Pursuant to the First Temporary Waiver, the Prepetition Lenders agreed to waive Accuride's compliance with certain financial covenants (specifically, the Senior Secured Leverage Ratio, the Interest Coverage Ratio, and the Fixed Charge Coverage Ratio (each as defined in the Prepetition Credit Agreement)) (the "**Specified Defaults**") under the Prepetition Credit Agreement for the fiscal quarter ended June 30, 2009, for the duration of the Temporary Waiver Period (as defined in the First Temporary Waiver). In addition, the First Temporary Waiver required that Accuride (a) pay interest on advances and all outstanding obligations under the Prepetition Credit Agreement at an annual rate of 2.0% plus the otherwise applicable rate during the Temporary Waiver Period, (b) comply with certain restrictions on incurring additional debt, making investments and selling assets, and (c) comply with minimum liquidity requirements specified in the First Temporary Waiver. The First Temporary Waiver Period terminated on August 15, 2009.

On August 15, 2009, Accuride, Accuride Canada, Accuride's domestic subsidiaries and the Prepetition Lenders entered into a Second Temporary Waiver Agreement (the "**Second Temporary Waiver**"). Under the terms of the Second Temporary Waiver, the Prepetition Lenders agreed to continue to waive the Company's non-compliance with the Specified Defaults through the Second Temporary Waiver Period (as defined in the Second Temporary Waiver). In addition, the Prepetition Lenders agreed to waive any default under Section 7.01(e) of the Prepetition Credit Agreement (a "**7.01(e) Default**") if the Company failed to make the interest payment due and owing on August 1, 2009, to the holders of the Subordinated Notes. The Second Temporary Waiver required Accuride to (a) pay interest on advances and all outstanding obligations under the Prepetition Credit Agreement at an annual rate of 2.0% plus the otherwise applicable rate during the Second Temporary Waiver Period, (b) comply with certain reporting requirements and restrictions on incurring additional debt, making investments and selling assets, (c) comply with minimum liquidity requirements specified in the Second Temporary Waiver and (d) deliver updated schedules in accordance with milestones specified in the Second Temporary Waiver. The Second Temporary Waiver Period terminated on September 15, 2009.

On September 15, 2009, Accuride, Accuride Canada, Accuride's domestic subsidiaries and the Prepetition Lenders entered into a Third Temporary Waiver Agreement (the "**Third Temporary Waiver**"). Under the terms of the Third Temporary Waiver, the Prepetition Lenders agreed to continue to waive the Company's non-compliance with the Specified Defaults, the 7.01(e) Default, and the technical default due to the failure of the Company to pay an interest payment that was due on August 26, 2009 (the "**Interest Payment Default**"), each through the Third Temporary Waiver Period (as defined in the Third Temporary Waiver). Under the Third Temporary Waiver, Accuride agreed to further conditions and restrictions and agreed to comply with specified minimum liquidity requirements. The Third Temporary Waiver Period would have ended on September 25, 2009, but the Steering Committee (as defined in the Third Temporary Waiver), pursuant to a letter dated September 25, 2009, and in accordance with the terms of the Third Temporary Waiver, consented to the extension of the deadline (and thus the

Third Temporary Waiver Period) to September 30, 2009. The Third Temporary Waiver Period terminated on September 30, 2009.

On September 30, 2009, Accuride, Accuride Canada, Accuride's domestic subsidiaries and the Prepetition Lenders entered into a Fourth Temporary Waiver Agreement (the "**Fourth Temporary Waiver**"). Under the Fourth Temporary Waiver, the Company agreed to comply with conditions and restrictions specified in the Fourth Temporary Waiver and substantially similar to those under the Third Temporary Waiver. Under the Fourth Temporary Waiver, the Prepetition Lenders agreed to continue to waive the Company's non-compliance with the Specified Defaults, the 7.01(e) Default, and the Interest Payment Default during the Fourth Temporary Waiver Period (as defined in the Fourth Temporary Waiver). The Fourth Temporary Waiver Period terminated on October 5, 2009.

On October 5, 2009, Accuride, Accuride Canada, Accuride's domestic subsidiaries and the Prepetition Lenders entered into a Fifth Temporary Waiver Agreement (the "**Fifth Temporary Waiver**," and together with the First Temporary Waiver, the Second Temporary Waiver, the Third Temporary Waiver, and the Fourth Temporary Waiver, the "**Temporary Waivers**"). Under the Fifth Temporary Waiver, the Company agreed to comply with the conditions and restrictions specified in the Fifth Temporary Waiver and substantially similar to those under the Third Temporary Waiver and the Fourth Temporary Waiver. Under the Fifth Temporary Waiver, the Prepetition Lenders agreed to continue to waive the Company's non-compliance with the Specified Defaults, the 7.01(e) Default, and the Interest Payment Default during the Fifth Temporary Waiver Period (as defined in the Fifth Temporary Waiver). The Fifth Temporary Waiver Period terminated on October 8, 2009.

*Indenture Forbearance Agreements*

The Company did not make the interest payment to the holders of the Subordinated Notes (the "**Prepetition Noteholders**") that was due August 3, 2009 (the "**Specified Default**"). Under the terms of the Indenture, the Company had a 30-day grace period to make the interest payment before the failure to make such payment would constitute an Event of Default (as defined in the Indenture). On August 31, 2009, the Company entered into a forbearance agreement (the "**First Forbearance Agreement**") with the Ad Hoc Noteholders Group. Under the First Forbearance Agreement, the Ad Hoc Noteholders Group agreed to forbear from exercising their rights and remedies under the Indenture with respect to the Specified Default until the earliest to occur of (a) September 30, 2009, and (b) the occurrence of any Termination Event (as defined in the First Forbearance Agreement). As one of the conditions to such forbearance, Accuride agreed to deliver a final restructuring term sheet (the "**Final Term Sheet**"), in form and substance acceptable to the Ad Hoc Noteholders Group and the Prepetition Lenders, on or before September 15, 2009 (the "**Final Term Sheet Deadline**"). As it became clear that Accuride would not be able to comply with the Final Term Sheet Deadline, Accuride and the Ad Hoc Noteholders Group entered into a letter agreement, dated September 15, 2009, pursuant to which the Final Term Sheet Deadline was extended to September 25, 2009. On September 25, 2009, the Ad Hoc Noteholders Group agreed pursuant to a second letter agreement to extend the Final Term Sheet Deadline to September 30, 2009.

On September 30, 2009, the Company entered into a second forbearance agreement with the Ad Hoc Noteolders Group (the "**Second Forbearance Agreement**"). Under the Second Forbearance Agreement, the Ad Hoc Noteholders Group agreed to continue to forbear from exercising their rights and remedies under the Indenture with respect to the Specified Default. The Second Forbearance Agreement terminated on October 5, 2009.

On October 6, 2009, the Company entered into a third forbearance agreement with the Ad Hoc Noteholders Group (the "**Third Forbearance Agreement**," and together with the First Forbearance Agreement and the Second Forbearance Agreement, the "**Forbearance Agreements**"). Under the Third Forbearance Agreement, the Ad Hoc Noteholders Group agreed to continue to forbear from exercising their rights and remedies under the Indenture with respect to the Specified Default. The Third Forbearance Agreement terminated on October 8, 2009.

**3. Evaluation of Strategic Alternatives; Restructuring Preparations**

Since the first quarter of 2009, the Company has been proactively evaluating strategic alternatives to address ongoing liquidity and financing concerns, including the sale of non-core assets and/or alternative debt structures, such as debt-for-debt or debt-for-equity agreements. In addition, mindful of Sun Capital's role on

Acccuride's board of directors, its status as a Prepetition Lender, Prepetition Noteholder, holder of the Class A Preferred Share and holder of common stock, the Board of Directors appointed a special committee of independent directors who are not directly or indirectly affiliated with Sun Capital and who are not members of the Company's management (the "**Special Committee**"). Accuride's board of directors asked the Special Committee to identify and evaluate strategic alternatives, with the input of management, counsel and financial advisors, and to recommend an appropriate course of action to the full board of directors. Perella Weinberg Partners LP and UBS Securities LLC were engaged as financial advisors in connection with this review. Continuing through the summer of 2009, the Company's representatives held numerous meetings with the Prepetition Lenders and the Ad Hoc Noteholders Group, attempting to negotiate alternatives to a chapter 11 filing.

After several weeks of active and arm's-length negotiations, the Company, in consultation with its advisors, reached prepetition agreements in principal with certain Prepetition Lenders and the Ad Hoc Noteholders Group, representing a substantial majority of Prepetition Lenders and the Prepetition Noteholders respectively, on a pre-arranged restructuring plan. The Plan represents a significant achievement for the Company and should greatly enhance the Company's ability to reorganize successfully and expeditiously. Through confirmation of the Plan implementing the terms of the pre-arranged restructuring, the Company will restructure and substantially deleverage its balance sheet; reduce its cash interest expense to a level that is aligned with its expected future cash flows; retain additional flexibility to invest in growth initiatives to maximize enterprise value; and maintain very favorable pricing to the Company under the Prepetition Credit Agreement. Additionally, the Company expects that it will continue to generate significant liquidity from its operations, including during these Chapter 11 Cases. For all of these reasons, the Company believes that during the course of, and following, these Chapter 11 Cases it will be exceptionally well-positioned going forward.

Notwithstanding the global economic circumstances that contributed to the Company's current liquidity challenges, the Company is a global market leader in the manufacture and sale of automotive wheels. The Company is among the largest wheel producers in the world, ranking first or second in most markets and product segments, with a broad customer base, low production costs and diversified product offerings and revenue streams in major regions of the world. The Company is also generally recognized as a global wheel technology innovator with technologically advanced manufacturing facilities. Similarly, the Company has an experienced senior management team with significant automotive and best practices experience, as well as a proven track record of restructuring the Company's business.

The commencement of the Chapter 11 Cases affords the Company the opportunity to adjust its debt levels and capital structure in a manner that is commensurate with its projected cash flows. The Debtors expect to accomplish this goal through a process that will be consensual and that has the support of its key constituents.

The Debtors' restructuring efforts are designed to result in greater profitability for the Company and to solidify their position as the market leader in their product categories. The Debtors expect to expeditiously emerge from chapter 11 having rationalized their capital structure by reducing debt to levels commensurate with their cash flow generating capacity and industry norms. Reducing leverage should create financial flexibility for future operating requirements and capital expenditures and improve liquidity. The Debtors believe that the efforts they have taken, and expect to take, will return the most value to the Company's stakeholders.

The Board of Directors of each Debtor approved the chapter 11 filings on October 5, 2009 and the Debtors filed the Chapter 11 Cases on October 8, 2009.

## F. RESTRUCTURING SUPPORT AGREEMENTS

### 1. Noteholder Restructuring Support Agreement

On October 7, 2009, the Company entered into the Noteholder Restructuring Support Agreement with the holders of approximately 70% of the principal amount of the Subordinated Notes then outstanding (each, a "**Supporting Noteholder**" and collectively, the "**Supporting Noteholders**"). Pursuant to the Noteholder Restructuring Support Agreement, each Supporting Noteholder agreed to exercise all votes to which it is entitled with respect to the principal amount of Subordinated Notes subject to the Noteholder Restructuring Support

Agreement to accept the Plan. These votes represent approximately 70% of the dollar amount of the Class 7 Subordinated Notes Claims.

While the Noteholder Restructuring Support Agreement is in effect, each Supporting Noteholder agreed not to transfer any Subordinated Notes held by it that are subject to the Noteholder Restructuring Support Agreement except to a transferee who agrees to be bound by the Noteholder Restructuring Support Agreement.

The Noteholder Restructuring Support Agreement may be terminated by any Supporting Noteholder or group of Supporting Noteholders holding more than 50% of the aggregate face amount of the Subordinated Notes that are subject to the terms of the Noteholder Restructuring Support Agreement (the "**Requisite Supporting Noteholders**") if, *inter alia*, Prepetition Lenders representing at least 67% of the aggregate principal amount of the Prepetition First Out Credit Facility Claims have not executed the Lender Restructuring Support Agreement within seven Business Days of the entry of the Disclosure Statement Order. As of the Petition Date, Prepetition Lenders representing 57% of the aggregate principal amount of the Prepetition First Out Credit Agreement Claims executed the Lender Restructuring Support Agreement. The Debtors and the Supporting Lenders (as defined below) expect to solicit additional signatures to the Lender Restructuring Support Agreement after the Bankruptcy Court enters the Disclosure Statement Order. Any counterpart purported to be executed by a Prepetition Lender after the Petition Date but before the entry of the Disclosure Statement Order is null and void for all purposes.

The Requisite Supporting Noteholders may also terminate the Noteholder Restructuring Support Agreement for several other reasons, including but not limited to, if (i) the Effective Date has not occurred within one hundred ninety days after the Petition Date, (ii) the Plan ultimately confirmed by the Bankruptcy Court does not conform in all economic and other material respects to the term sheets attached to the Noteholder Restructuring Support Agreement, (iii) Accuride has materially breached its obligations under the Noteholder Restructuring Support Agreement or (iv) the Lender Restructuring Support Agreement (as defined below) shall have been terminated.

### 2. Lender Restructuring Support Agreement

Also on October 7, 2009, the Company entered into the Lender Restructuring Support Agreement with the holders of approximately 57% of the principal amount of the loans outstanding under the Prepetition Credit Agreement. Pursuant to the Lender Restructuring Support Agreement, each Prepetition Lender party thereto (each, a "**Supporting Lender**" and collectively, the "**Supporting Lenders**") agreed to exercise all votes to which it is entitled to accept the Plan. These votes represent approximately 57% of the dollar amount of the Prepetition First Out Credit Agreement Claims. Accuride and the Supporting Lenders expect to solicit additional signatures to the Lender Restructuring Support Agreement after the Bankruptcy Court enters the Disclosure Statement Order. Any counterpart purported to be executed by a Prepetition Lender after the Petition Date but before the entry of the Disclosure Statement Order is deemed null and void for all purposes.

While the Lender Restructuring Support Agreement is in effect, the Supporting Lenders agreed to not transfer any Claims except to a transferee who agrees to be bound by the Lender Restructuring Support Agreement.

The Requisite Independent Supporting Lenders may terminate the Lender Restructuring Support Agreement for several reasons, including but not limited to, if (i) the Effective Date has not occurred within one hundred ninety days after the Petition Date (ii) the Plan ultimately confirmed by the Bankruptcy Court does not conform in all economic and other material respects to the term sheets attached to the Lender Restructuring Support Agreement, (iii) Accuride has materially breached its obligations under the Lender Restructuring Support Agreement, (iv) a "Termination Date" occurs under the DIP Orders, the DIP Facility Credit Agreement or the other DIP Facility documentation, and the DIP Agent enforces of any of its rights and remedies thereunder, or (v) the Noteholder Restructuring Support Agreement shall have been terminated.

## III.
## EVENTS DURING THE CHAPTER 11 CASES

### A. FIRST DAY MOTIONS AND CERTAIN RELATED RELIEF

Immediately following the Petition Date, the Debtors devoted substantial efforts to stabilizing their operations and preserving and restoring their relationships with, among others, vendors, customers, employees and utility providers that the Debtors believed could be impacted by the commencement of the Chapter 11 Cases. As a result of these initial efforts, the Debtors were able to minimize, as much as practicable, the negative impacts of the commencement of the Chapter 11 Cases.

On or around the Petition Date, in addition to filing their voluntary petition for relief, the Debtors also filed a number of motions (collectively referred to herein as "**First Day Motions**") with the Bankruptcy Court. At a hearing conducted on October 9, 2009, the Bankruptcy Court entered several orders to, among other things: (i) authorize joint administration of the Debtors' Chapter 11 Cases; (ii) prevent interruptions to the Debtors' business; (iii) ease the strain on the Debtors' relationships with certain essential constituents, including employees, vendors, customers and utility providers; (iv) provide access to critical working capital; and (v) allow the Debtors to retain certain advisors to assist them with the administration of the Chapter 11 Cases (each, a "**First Day Order**").

#### 1. Procedural Motions

To facilitate a smooth and efficient administration of the Chapter 11 Cases, the Bankruptcy Court entered certain "procedural" First Day Orders, by which the Bankruptcy Court (a) authorized the joint administration of the Chapter 11 Cases; (b) enforced the automatic stay as it relates to foreign creditors and contract parties and the prohibition against termination of the Debtors' contracts as a result of *ipso facto* provisions that purport to terminate such contracts upon a chapter 11 filing and (c) established notice and hearing procedures with respect to trading in equity securities of Accuride.

#### 2. Employment of Advisors

To assist the Debtors in carrying out their duties as debtors in possession and to represent their interests in the Chapter 11 Cases, the Bankruptcy Court entered a First Day Order authorizing the Debtors to retain and employ The Garden City Group, Inc. as the Voting and Claims Agent in the Chapter 11 Cases. Also, on October 9, 2009, the Debtors filed a number of applications seeking to retain the following advisors: (a) Latham & Watkins LLP and Young Conaway Stargatt & Taylor, LLP, as co-counsel; (b) Goodmans LLP, as Canadian counsel; (c) Zolfo Cooper, LLC, as restructuring consultants; (d) Perella Weinberg Partners LP, as financial advisors and investment banker; (e) Edward Howard & Co. as communications consultant; and (f) Hewitt Associates LLC as compensation consultant. The Debtors also sought an order approving and establishing procedures for the retention of professionals utilized in the ordinary course of the Debtors' business. The Bankruptcy Court approved the retention applications on November 2, 2009.

#### 3. Stabilizing Operations

Recognizing that any interruption of the Debtors' business, even for a brief period of time, would negatively impact their operations, customer relationships, revenue and profits, the Debtors filed a number of First Day Motions to help facilitate a stabilization of its manufacturing operations and effectuate, as much as possible, a smooth transition into operations as debtors in possession. Specifically, in addition to certain orders discussed in greater detail below, the Debtors sought and obtained First Day Orders authorizing the Debtors to:

- maintain and administer customer programs and honor its prepetition obligations arising under or relating to those customer programs;

- pay prepetition wages, salaries and other compensation, reimbursable employee expenses and employee medical and similar benefits and continue to pay these amounts postpetition;

- pay prepetition shipping and import obligations to common carriers and distributors;

- pay prepetition obligations to common carriers and contractors able to perfect mechanics' or artists', or other liens in respect of prepetition obligations;

- determine adequate assurance for future utility service and establish procedures for utility providers to object to such assurance;

- pay prepetition insurance obligations and to continue insurance coverage;

- maintain existing bank accounts, continue operation of its existing cash management system, continue entering into certain intercompany transactions among the Debtors and their non-debtor foreign entities and continue entering into currency exchange contracts and forward purchase contracts for certain raw materials; and

- remit and pay certain prepetition taxes and fees.

In addition to the foregoing relief, to prevent the imposition of the automatic stay from disrupting its business and to ensure continued deliveries on favorable credit terms, the Debtors sought and obtained Bankruptcy Court approval to pay the prepetition claims of certain vendors who the Debtors believed were essential to the ongoing operation of their businesses. Indeed, the Debtors' ability to pay the claims of these vendors was critical to maintaining ongoing business operations due to the Debtors' inability to acquire essential replacement goods and services of the same quality, reliability, cost or availability from other sources and, ultimately, to the success of the Debtors' Chapter 11 Cases.

Similarly, to reduce the potentially negative effects of its bankruptcy on operations, the Debtors sought and obtained Bankruptcy Court approval to pay prepetition claims of vendors entitled to administrative expense status under Section 503(b)(9) of the Bankruptcy Code. Satisfying these obligations early in its Chapter 11 Cases, rather than upon the Effective Date, will enable the Debtors to effectuate a smoother transition into chapter 11, and help alleviated some of the strain that a chapter 11 filing can place on a debtor's relationships with its vendors.

### 4. DIP Financing and Use of Cash Collateral

A critical goal of the Debtors' business stabilization efforts was to ensure the Debtors maintained sufficient liquidity to operate their businesses during the pendency of the Chapter 11 Cases. Therefore, on October 7, 2009, the Debtors reached an agreement with the DIP Lenders as to the terms of debtor-in-possession financing facilities. The Debtors were not able to obtain postposition financing or other financing accommodations from any prospective lender or group of lenders on more favorable terms and conditions than those contained in the DIP Facility and described below. Specifically, the Debtors were unable to obtain debtor-in-possession financing without providing senior priming liens. The DIP Facility was negotiated in good faith and at arm's length, extensively and diligently considered by the Debtors' management and submitted to the Accuride board of directors for approval. The management of the Debtors' believes that the terms of the DIP Facility are fair and reasonable in light of current market conditions (particularly the lack of a ready market for any financing, including debtor-in-possession financing) and are in the best interests of the Debtors' estates.

On the Petition Date, the Debtors filed their Motion for Entry of Interim and Final Orders Pursuant to 11 U.S.C. §§ 105, 361, 362, 363 and 364: (I) Authorizing Debtors To (A) Obtain Post-Petition Financing, And (B) Grant Senior Liens, Junior Liens And Superpriority Administrative Expense Status; (II) Approving Use Of Cash Collateral; (III) Granting Adequate Protection To Certain Prepetition Secured Parties; (IV) Scheduling A Final Hearing; And (V) Granting Related Relief [Docket No. 20] (the "**DIP Motion**"). In the DIP Motion, the Debtors sought permission from the Court to enter into the DIP Facility among Accuride, the DIP Agent and the other DIP Lenders, pursuant to which the Debtors obtained a revolving credit facility of $25 million and a term loan first-in,

last-out facility of $25 million. The $25 million of loans under the DIP Facility bears interest, at the election of Accuride, at a rate of LIBOR + 6.50% (with a LIBOR floor of 2.50%) or Base Rate + 5.50% (with a Base Rate floor of 3.50%), and the $25 million of first-in, last-out term loans under the DIP Facility bears interest, at the election of Accuride, at a rate of LIBOR + 7.50% (with a LIBOR floor of 2.50%) or Base Rate + 6.50% (with a Base Rate floor of 3.50%). The Debtors' obligations under the DIP Facility were granted super-priority administrative claim status, and are secured by a first priority priming lien on substantially all of the U.S. properties and assets of Accuride and its domestic subsidiaries.

At the hearing held on October 9, 2009, the Bankruptcy Court entered the Interim DIP Order, which, among other things: (a) authorized the Debtors to borrow up to $25 million under the DIP Facility; and (b) approved the Debtors' request to use Cash Collateral, in each case, on an interim basis pending final approval of the DIP Facility and use of Cash Collateral after notice and a hearing.

At the hearing held on November 2, 2009, the Bankruptcy Court entered the Final DIP Order, which, among other things: (a) authorized the Debtors to borrow up to $50 million in the aggregate under the DIP Facility; and (b) approved the Debtors' request to use Cash Collateral, in each case, on a final basis.

The financing provided under the DIP Facility and the use of Cash Collateral has allowed the Debtors to, among other things: (a) continue their businesses in an orderly manner; (b) maintain their valuable relationships with vendors, shippers, suppliers, customers and employees; (c) pay various interest, fees and expenses under the DIP Facility; and (d) support their working capital, general corporate and overall operational needs - all of which were necessary to preserve and maintain the going-concern value of the Debtors' businesses and, ultimately, help ensure a successful reorganization.

## B. THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

### 1. Appointment of the Committee

On October 21, 2009, the U.S. Trustee appointed the Committee pursuant to section 1102 of the Bankruptcy Code. The members of the Committee included the following: The Bank of New York Mellon Trust Company, N.A., Ryerson, Dawlen Corporation, B&D Thread Rolling, Inc. and Church Electric.

The Committee retained (a) Irell & Manella, LLP as lead counsel; (b) Reed Smith LLP as Delaware counsel; and (c) Morris Anderson & Associates Ltd., as financial advisor.

### 2. Meeting of Creditors

The meeting of creditors pursuant to section 341 of the Bankruptcy Code was held on November 9, 2009 at J. Caleb Boggs Federal Building in Wilmington, Delaware. In accordance with Bankruptcy Rule 9001(5), one representative of the Debtors, as well as counsel to the Debtors, attended the meeting and answered questions posed by the U.S. Trustee and other parties in interest present at the meeting.

### 3. Request for Equity Committee

On or about October 13, 2009, Sonnenschein Nath & Rosenthal LLP, on behalf of Trimaran Investments II, L.L.C. ("**Trimaran**"), sent a letter to the Office of the United States Trustee requesting the appointment of an official committee of equity security holders in these chapter 11 cases. The Debtors responded to such letter and urged the United States Trustee to deny the request for the appointment of an official equity committee because, among other reasons (a) Trimaran has not met its burden of proving a substantial likelihood of a meaningful distribution to equity in these cases, (b) the interests of equity interest holders have been more than adequately represented in the months preceding the petition date and will be more than adequately represented during the chapter 11 cases, (c) Trimaran is more than capable of representing itself in the chapter 11 cases, and (d) the appointment of an official equity committee would be an unnecessary and unwarranted use of estate resources. As of November 15, 2009, the United States Trustee had not determined whether or not to appoint an official equity committee.

## C. FILING OF THE SCHEDULES AND ESTABLISHMENT OF THE CLAIMS BAR DATE

### 1. Filing of the Schedules

On October 30, 2009, the Debtors filed their Schedules of Assets and Liabilities, Schedules of Current Income and Expenditures, Schedules of Executory Contracts and Unexpired Leases and Statements of Financial Affairs with the Bankruptcy Court pursuant to section 521 of the Bankruptcy Code.

### 2. Establishment of the Claims Bar Date

On November 2, 2009, the Bankruptcy Court entered that certain Order Pursuant to Bankruptcy Rule 3003(c)(3) and Local Rule 2002-1(e) Establishing Bar Dates and Related Procedures for Filing Proofs of Claim (Including for Administrative Expense Claims Under Section 503(b)(9) of the Bankruptcy Code) and Approving the Form and Manner of Notice Thereof, (Docket No. 349, the "**Bar Date Order**"), establishing November 30, 2009 as the Claims Bar Date and establishing April 6, 2010 as the Governmental Bar Date.

## D. REORGANIZATION STRATEGY

### 1. Enhancing the Debtors' Business Operations

With the assistance of its advisors, the Debtors have been focused on developing and executing a reorganization strategy to (a) maximize the value of their Estates, (b) address the factors that led to the bankruptcy filing and (c) enable the Debtors to emerge from chapter 11 a stronger, more viable company. Specifically, this reorganization strategy is primarily (though not exclusively) focused on:

- restructuring the Debtors' balance sheet and emerging from chapter 11 with a long-term capital structure conducive to future profitability;
- managing the Debtors' business to enhance its financial and operating performance, including utilizing the unique powers and opportunities afforded to a chapter 11 debtor in possession; and
- reviewing the Debtors' Unexpired Leases to determine whether there are benefits to the Debtors in assuming or rejecting any Unexpired Leases.

Accuride Canada has not commenced insolvency proceedings in Canada, and continues to operate in the ordinary course.

### 2. Appropriate Capital Structure, Conversion of Debt and Rights Offering

As set forth above, as of September 30, 2009, the Debtors had outstanding debt of approximately $635 million. Upon emergence from chapter 11, the Reorganized Debtors will have an improved balance sheet and more appropriate capital structure resulting from (i) the conversion of $291 million of Subordinated Notes into New Common Stock and (ii) the $140.0 million Rights Offering, which will be used, in part, to retire the Prepetition Last Out Credit Facility Claims of approximately $70 million. Accuride and Accuride Canada will be party to the Restructured Credit Facility. This will result in a reduction of leverage associated with the aforementioned $70 million debt reduction and a decrease in cash interest obligations associated with the conversion to equity of the Subordinated Notes of $23 million. The interest rates to be paid on the Restructured Credit Facility will be, at the option of the Debtors, either LIBOR plus 6.75% or base rate plus 5.75%.

## E. EXCLUSIVE PERIOD FOR FILING A PLAN AND SOLICITING VOTES

Under the Bankruptcy Code, a debtor has the exclusive right to file and solicit acceptance of a plan or plans of reorganization for an initial period of 120 days from the date on which the debtor filed for voluntary relief. If a debtor files a plan within this exclusive period, then the debtor has the exclusive right for 180 days from the Petition Date to solicit acceptances to the plan. During these exclusive periods, no other party in interest may file a

competing plan of reorganization; however, a court may extend these periods upon request of a party in interest and "for cause."

The Debtors' initial exclusive periods to file a plan and solicit acceptances of a plan are set to expire on February 5, 2010, 2009 and April 6, 2010, respectively.

## F. DEADLINE TO ASSUME OR REJECT LEASES OF NONRESIDENTIAL REAL PROPERTY

Pursuant to section 365(d)(4) of the Bankruptcy Code, the time within which the Debtor have to assume or reject unexpired leases of nonresidential real property is also scheduled to expire on February 5, 2010, unless extended by order of the Bankruptcy Court.

## G. SUMMARY OF THE RIGHTS OFFERING

Accuride Corporation and the Backstop Investors executed the Convertible Notes Commitment Agreement on October 8, 2009 (the "**Backstop Commitment Agreement**," attached to the Plan as Exhibit B). Although the Debtors will offer holders of the Subordinated Notes who are accredited investors the opportunity to participate in the Rights Offering, it is possible that the Debtors will be unable to obtain sufficient commitments from the holders of the Subordinated Notes who are accredited investors to purchase $140 million of New Notes. To guard against this possibility, the Backstop Investors have agreed to "backstop" the Rights Offering and purchase any of the Debtors' New Notes that are not subscribed upon the subscription expiration date. The Backstop Investors are Blackrock Financial Management, Inc., Brigade Capital Management, LLC, Sankaty Advisors, LLC and Tinicum Lantern L.L.C, or their respective affiliates. Certain Backstop Investors owned Subordinated Notes as of the Petition Date.

In consideration for entry into the Backstop Commitment Agreement, the Backstop Investors are entitled to, and the Debtors are obligated to pay the Backstop Fee (as defined in the Backstop Commitment Agreement) and the Debtors have agreed to reimburse or pay, as the case may be, the reasonable expenses of the Backstop Investors, including the fees and expenses of Rothschild Inc., financial advisor to the Backstop Investors, and Milbank, Tweed, Hadley & McCloy LLP and local Wilmington, Delaware counsel, as legal advisors to the Backstop Investors. On the Effective Date, the Backstop Fee will be paid in an aggregate of [25,000,000] shares of New Common Stock if the Holders of Accuride Other Equity Interests vote to accept the Plan or [24,500,000] shares of New Common Stock if the Holders of Accuride Other Equity Interests vote to reject the Plan. In addition, an additional fee may be paid upon termination of the Backstop Commitment Agreement in certain circumstances. On November 2, 2009, this Court entered an order (the "**Backstop Order**") authorizing the Debtors to (i) assume the Backstop Commitment Agreement and (ii) pay certain fees and expenses incurred in connection therewith, including the cash backstop fee, stock backstop fee, transaction expenses and termination fee [Docket No. 167].

(i) Rights Offering Participants: Means each Holder of a Subordinated Notes Claim as of the Rights Offering Record Date is an "accredited investor," as defined in Rule 501(a) of Regulation D under the Securities Act as of the Rights Offering Record Date.

(ii) Rights Offering Record Date: Means the date for determining which Holders of Subordinated Notes Claims who are accredited investors may be eligible to participate in the Rights Offering and shall be the proposed Voting Record Date applicable to Subordinated Notes Claims (i.e., December 11, 2009).

(iii) Issuance of Rights: Each Rights Offering Participant will receive Subscription Rights to subscribe for its Pro Rata Share of the Rights Offering Notes for an aggregate purchase price equal to the applicable Subscription Payment Amount. The Rights Offering Notes shall be subject to the terms of the New Indenture.

(iv) New Indenture: On the Effective Date, Accuride shall be authorized to enter into the transactions contemplated by the New Indenture, and the New Indenture and all such agreements and documents shall become effective in accordance with their respective terms and conditions upon the parties thereto.

(iv) Subscription Payment Amount: Means, with respect to a particular Rights Offering Purchaser, an amount of Cash equal to the Rights Offering Amount multiplied by such Rights Offering Purchaser's subscribed-for portion of its Pro Rata Share of the Rights Offering Notes.

(v) Subscription Period: Means the time period during which Rights Offering Participants may subscribe to purchase the Rights Offering Notes, which period shall commence on the Subscription Commencement Date and expire on the Subscription Deadline, as set forth in the Subscription Form.

(vi) Exercise of Subscription Rights: To exercise the Subscription Rights, each Rights Offering Participant must review and return a duly completed Subscription Form (making a binding and irrevocable commitment to participate in the Rights Offering) to the Debtors or other Entity specified in the Subscription Form so that such form is actually received by the Debtors or such other Entity on or before the Subscription Deadline. If the Debtors or such other Entity for any reason do not receive from a given holder of Subscription Rights a duly completed Subscription Form on or prior to the Subscription Deadline, then such holder shall be deemed to have forever and irrevocably relinquished and waived its right to participate in the Rights Offering.

(vii) No Transfer; Detachment Restrictions; No Revocation: The Subscription Rights are not Transferable or detachable. Any such Transfer or detachment, or attempted Transfer or detachment, will be null and void and the Debtors will not treat any purported transferee of the Subscription Rights separate from the Subordinated Notes Claims as the holder of any Subscription Rights. Once a Rights Offering Participant has exercised any of its Subscription Rights by properly executing and delivering a Subscription Form to the Debtors or other Entity specified in the Subscription Form, such exercise may only be revoked, rescinded or annulled in the sole discretion of the Debtors or Reorganized Debtors.

(viii) Validity of Exercise of Subscription Rights: All questions concerning the timeliness, validity, form, and eligibility of any exercise, or purported exercise, of Subscription Rights shall be determined by the Debtors or Reorganized Debtors. The Debtors or Reorganized Debtors, in their discretion reasonably exercised in good faith, may waive any defect or irregularity, or permit a defect or irregularity to be corrected within such times as they may determine, or reject the purported exercise of any Subscription Rights. A Subscription Form shall be deemed not to have been received or accepted until all irregularities have been waived or cured within such time as the Debtors or Reorganized Debtors determine in their discretion reasonably exercised in good faith. The Debtors or Reorganized Debtors will use commercially reasonable efforts to give written notice to any Rights Offering Participant regarding any defect or irregularity in connection with any purported exercise of Subscription Rights by such Person and may permit such defect or irregularity to be cured within such time as they may determine in good faith to be appropriate; provided, however, that neither the Debtors and Reorganized Debtors nor any of their Related Persons shall incur any liability for giving, or failing to give, such notification and opportunity to cure.

## H. SUMMARY OF THE NEW NOTES

The New Notes are 7.5% Senior Convertible Notes due 2020 that will be issued by Reorganized Accuride to the Rights Offering Participants and/or the Backstop Investors pursuant to the Rights Offering, the Backstop Commitment Agreement and the Plan. Interest on the New Notes will be payable semi-annually, with the first six interest payments being payable as paid-in-kind interest ("**PIK interest**") and the remaining being payable in cash, at a rate of 7.5% per annum. The New Notes will mature ten (10) years from the date of issue. In addition, New Indenture will not contain any financial covenants and the holders of the New Notes will be entitled to exercise all the voting rights associated with the New Common Stock on an as-converted basis.

The New Notes will be convertible at any time at the option of the holder thereof, in part or in whole, into New Common Stock at a conversion price (the "**Conversion Price**") that results in the New Notes, if converted in whole immediately upon the Effective Date, without giving effect to the accrual of any PIK interest, being convertible into an aggregate of (i) [187,500,000] shares of New Common Stock of Reorganized Accuride, if the Holders of Other Equity Interests in Accuride vote to accept the Plan, and (ii) [183,750,000] shares of New Common Stock of Reorganized Accuride, if the Holders of Other Equity Interests in Accuride do not vote to accept the Plan. If the Holders of Other Equity Interests in Accuride vote to accept the Plan and the New Warrants issued under the Plan are subsequently exercised in full in cash, the New Notes will be adjusted to be convertible into an aggregate of [220,588,235] shares of New Common Stock of Reorganized Accuride. The percentage ownership

represented by the shares of New Common Stock issued upon conversion of the New Notes is subject to dilution, including dilution for the Equity Incentive Program. The Conversion Price will be subject to adjustment from time to time as described in the section entitled "Adjustment to the Conversion Rate/Anti-Dilution Protection" in the term sheet attached as Exhibit D to the Plan. To the extent interest on the New Notes is paid in PIK, the additional notes so paid will be convertible into New Common Stock at the same Conversion Price as the New Notes. Additional terms of the New Notes are summarized in the term sheet attached as Exhibit D to the Plan.

The New Notes will be senior unsecured debt obligations of Reorganized Accuride and will rank *pari passu* in right of payment to any existing or future senior unsecured debt of Accuride or any guarantor, and senior in right of payment to any current or future subordinated debt of Reorganized Accuride or of any guarantor. All of the domestic subsidiaries of Reorganized Accuride will guarantee Reorganized Accuride's payment obligations with respect to the New Notes.

The New Notes will be issued in a private placement that is exempt from registration under the Securities Act or any similar federal, state or local law as set forth in greater detail in Section VIII herein, titled "Exemptions From Securities Act Registration."

## I. SUMMARY OF THE RESTRUCTURED CREDIT FACILITY

The Restructured Credit Facility will consist of U.S. Advances (as defined in the Restructured Credit Agreement) in the aggregate principal amount of $264.3 million plus the amount paid on drawings on letters of credit that are drawn prior to the effective date of the Restructured Credit Agreement (such draws, the "**Letter of Credit Draws**"), Canadian Advances (as defined in the Restructured Credit Agreement) in the aggregate principal amount of $22 million and a letter of credit facility equal to $18.3 million minus the amount of the Letter of Credit Draws.

The terms of the Restructured Credit Facility Agreement will amend and restate, and supersede in their entirety, the terms of the Prepetition Credit Agreement to, among other things: (i) extend the maturity of the Prepetition Revolving Facility and the Prepetition Term Facility through June 30, 2013, (ii) amend the interest rate, at the option of Accuride, to LIBOR + 6.75% (with a LIBOR floor of 3.00%) or Base Rate + 5.50% (with a Base Rate floor of 3.50%) and (iii) eliminate all financial covenants except minimum liquidity and minimum EBITDA covenants. For additional terms of the Restructured Credit Facility, refer to the Restructured Credit Facility Agreement attached to the Plan as Exhibit G. Advances may not be reborrowed once repaid.

The borrowers under the Restructured Credit Facility will be Reorganized Accuride and Accuride Canada. The obligations of Reorganized Accuride under the Restructured Credit Facility Agreement will be guaranteed by all of Reorganized Accuride's domestic subsidiaries and the obligations of Accuride Canada will be guaranteed by Reorganized Accuride and all of Reorganized Accuride's domestic subsidiaries. The obligations of Reorganized Accuride and its domestic subsidiaries under the Restructured Credit Agreement and the related guarantees will be secured by, among other things, a first-priority lien on and security interest in substantially all of the U.S. properties and assets of the Reorganized Debtors. The obligations of Accuride Canada under the Restructured Credit Agreement will be secured by a first priority lien on and security interest in substantially all of the properties and assets of Accuride Canada and, by virtue of the guarantees, all of the properties and assets of Reorganized Accuride and Reorganized Accuride's domestic subsidiaries

It is possible the terms of the Restructured Credit Facility Agreement may be modified on or prior to the Effective Date and that the terms of the Restructured Credit Facility Agreement may ultimately be materially different than those described herein.

As consideration for Deutsche Bank Trust Company Americas (in such capacity, the "**Postpetition Administrative Agent**") efforts in connection with the Restructured Credit Facility Agreement, the Postpetition Administrative Agent has requested, and the Debtors have agreed to pay, certain fees to the Postpetition Administrative Agent for services performed in connection with the Restructured Credit Facility Agreement (the "**Fees**"), the amounts of which are disclosed in that certain Restructuring Arrangement Fee Letter, dated as of October 7, 2009, between the Postpetition Administrative Agent and Accuride Corporation (the "**Fee Letter**"). The

Fees are payable upon the effective date of Plan and the Debtors will seek authorization to pay the Fees in the Confirmation Order.

The Debtors believe that the Fee Letter contains commercially sensitive information. The Postpetition Administrative Agent has represented to the Debtors that the disclosure of the terms of the Fee Letter would prejudice the economic interests of the Postpetition Administrative Agent. Copies of the Fee Letter will be provided to the Creditors' Committee, counsel to the Postpetition Administrative Agent, counsel to the Ad Hoc Noteholders Group, the U.S. Trustee and their legal and financial advisors, all on a confidential basis. The Debtors believe that providing copies of the Fee Letter to those parties will provide sufficient representation with respect to all interested parties regarding the narrow issues that might be raised in connection with the Debtors' entry into the Fee Letter.

## J. SUMMARY OF THE KEIP AND RELATED COMPENSATION ISSUES

### 1. KEIP

On November 10, 2009, the Debtors filed a motion (the "**KEIP Motion**") to (a) honor certain prepetition benefit programs, (b) implement a key employee incentive plan (the "**KEIP**"), (c) modify the Directors' Deferred Compensation Plan (as defined in the KEIP Motion), and (d) enter into a non-compete agreement with Accuride Corporation's Chief Executive Officer, Mr. William Lasky. The KEIP Motion also contemplates making prorated payments under the Debtors Annual Incentive Compensation Plan ("**AICP**"), upon further court approval. The Court will hear the KEIP Motion on November 23, 2009.

The proposed KEIP covers seventeen of the Debtors' employees and is designed to incentivize those employees to optimize the value of the Debtors' estates by increasing liquidity and promptly exiting bankruptcy. Under the KEIP, the participants would, upon emergence from bankruptcy, receive a payout based on liquidity (measured by cash on hand at emergence) and business preservation (measured by the timing of emergence). The threshold liquidity (net of cash payouts under the KEIP and AICP prorated payout) is $50 million; the liquidity required to achieve the target payout under the KEIP (net of cash payouts under the KEIP and AICP prorated payout) is $56 million. The target KEIP bonus pool is $3.2 million, a portion of which (attributable to the Chief Executive Officer and the Chief Financial Officer) may be paid in stock under certain circumstances.

William Lasky, the chairman and Chief Executive Officer of Accuride, is an at-will employee. Mr. Lasky does not currently have a severance plan or a non-compete agreement. Mr. Lasky is extremely valuable to the Debtors, not only for his day-to-day efforts, but also on account of his formidable experience in the industry. As such, the Debtors have decided in their business judgment to enter into a non-compete agreement with Mr. Lasky. Pursuant to the terms of the non-compete agreement, Mr. Lasky will receive $800,000, which is equal to one-year's base salary, to refrain from competing with the Debtors for a period of one year after the date on which his employment with the Debtors ends. The non-compete payment will be payable upon the date Mr. Lasky's employment with the Debtors' ends for any reason, voluntarily or otherwise, other than by reason of death or permanent disability, and will be paid over a period of twelve months according to the Company's normal payroll schedule. If any stock of Accuride is traded on an established securities market at the time of his termination, payments will be delayed for six months, with ½ the amount paid on the six month anniversary of his termination and the remainder payable in installments over the remaining six months. This delay in payment is required in order for the payment to comply with the deferred compensation rules of Section 409A of the Internal Revenue Code. Otherwise, the payments will be paid in installments over twelve months.

The KEIP Motion also seeks to continue certain prepetition benefit programs, including the Long Term Incentive Plan (as defined in the KEIP Motion) and the financial planning stipend. Finally, the KEIP Motion requests authority to modify the Directors' Deferred Compensation Plan (as defined in the KEIP Motion), such that all deferred compensation installments, including those normally payable in stock, made after the October 28, 2009 (the date the board of directors approved the modification) would be placed into cash accounts.

### 2. Other Compensation Issues

The Debtors have prepetition severance agreements with nine management-level employees. Under these severance agreements, a severance payment becomes payable when the employee party to the agreement is terminated without cause or terminates his or her employment for good reason. Five of the employees with severance agreements also have prepetition retention agreements in place. Each employee party to a retention agreement is scheduled to receive a retention bonus in May of 2010, provided he or she continues to be employed by the Debtors at such time. The Debtors will assume the severance agreements and retention agreements pursuant to the Plan.

## K. SUBSTANTIVE CONSOLIDATION OF THE DEBTORS

As set forth in more detail in Section IV, the Plan provides for the substantive consolidation of the Debtors with respect to the voting and treatment of all Claims and Equity Interests except General Other Secured Claims and Secured Tax Claims. Section 105(a) of the Bankruptcy Code empowers a bankruptcy court to authorize substantive consolidation. The United States Court of Appeals for the Third Circuit has adopted a standard for granting a request for substantive consolidation similar to the standards adopted by other Circuits authorizing substantive consolidation. See In re Owens Corning, 419 F.3d 195, 211 (3d Cir. 2005); Reider v. F.D.I.C. (In re Reider), 31 F.3d 1102, 1107-1108 (11th Cir. 1994); Woburn Assoc. v. Kahn (In re Hemingway Transport Inc.), 954 F.2d 1, 11-12 (1st Cir. 1992); First Nat'l Bank of El Dorado v. Giller (In re Giller), 962 F.2d 796, 798-99 (8th Cir. 1992); Union Sav. Bank. v. Augie/Restivo Baking Co. (In re Augie/Restivo Baking Co.) 860 F.2d 515, 518 (2d Cir. 1988); Drabkin v. Midland-Ross Corp. (In re Auto-Train Corp.), 810 F.2d 270, 276 (D.C. Cir. 1987).

In the Third Circuit, Debtors seeking substantive consolidation must show either "(i) prepetition they disregarded separateness so significantly their creditors relied on the breakdown of entity borders and treated them as one legal entity, or (ii) postpetition their assets and liabilities are so scrambled that separating them is prohibitive and hurts all creditors." Owens Corning, 419 F.3d at 211 (emphasis supplied). The facts of these Chapter 11 Cases necessitate substantive consolidation, and substantive consolidation is warranted under the aforementioned test.

There is ample evidence that prior to the Petition Date creditors of the Debtors treated them as one legal entity. The Debtors prepared and disseminated consolidated financial reports to the public, including customers, suppliers, landlords, lenders, credit rating agencies and stockholders. Moreover, suppliers rely on Accuride's "Dun and Bradstreet" report for extending credit, which is only available on a consolidated basis. In fact, the terms of many significant purchase orders were negotiated by Accuride Corporation, not by the individual Debtors. Furthermore, all SEC reporting that is available to the public is consolidated, and broken down by "operating units." The operating units are wheels, components, and other. All three operating units are composed of multiple Debtors. Because the Debtors disseminated financial information to the public on a consolidated basis, it is highly unlikely that creditors relied on the separate identity of any Debtor in extending credit to such Debtor.

Because financial information disseminated to customers, suppliers, landlords, lenders, credit rating agencies and stockholders, has been prepared and presented on a consolidated basis, it is clear that creditors treated the Debtors as one legal entity when deciding whether to extend credit. Substantive consolidation would ensure that all of the Debtors' creditors, having relied on the creditworthiness of the Debtors as a unit, receive the benefit of a distribution in satisfaction of their claims from the single pool of assets. Thus, substantive consolidation is warranted in this case under the test set forth by the Third Circuit.[5]

Several courts within the Third Circuit have acknowledged the existence and application of substantive consolidation of separate bankruptcy estates in appropriate circumstances. See In re Molnar Bros., 200 B.R. 555 (Bankr. D.N.J. 1996) (recognizing the application of substantive consolidation of two or more bankruptcy estates); In re PWS Holding Corp., Bruno's, Inc., et al., Case No. 98-212-223 (SLR) (D. Del. 1998) (approving substantive consolidation of debtors pursuant to a plan of reorganization); In re Smith Corona Corp. et al., Case No. 95-788

[5] Although Accuride Canada's business is also closely linked to Accuride's business and operations, Accuride Canada is not affected by the substantive consolidation of the Debtors, and is not a party to the Chapter 11 Cases. Further, Accuride Canada has not commenced insolvency proceedings in Canada.

(HSB) (Bankr. D. Del., Oct. 18, 1996) (adopting substantive consolidation test articulated by the Eighth Circuit); Bracaglia v. Manzo (In re United Stairs Corp.) 176 B.R. 359, 368 (Bankr. D.N.J. 1995) (stating that it is "well established that in the appropriate circumstances the court may substantively consolidate corporate entities"); In re Buckhead American Corp., 1992 Bankr. LEXIS 2506 (Bankr. D. Del. August 13, 1992) (substantively consolidating debtors); In re Cooper, 147 B.R. 678, 682 (Bankr. D.N.J. 1992) (stating that substantive consolidation constitutes the "merger of the assets and liabilities of two or more estates, creating a common fund of assets and a single body of creditors.") (citation omitted).

For the reasons set forth above, the Debtors believe that the requirements for substantive consolidation of the Debtors with respect to voting and treatment of all Claims and Equity Interests except for Class 2 Claims and Class 3 Claims are satisfied.

The Plan and Disclosure Statement do not contemplate or seek the substantive consolidation of any of the Debtors with their non-Debtor subsidiaries. Thus, any pledge by any of the Debtors of any of its respective assets, including, without limitation any stock in any of its subsidiaries, is unaffected by the limited substantive consolidation proposed in the Plan.

## L. SUMMARY OF THE EQUITY CAPITALIZATION OF REORGANIZED ACCURIDE

The following tables set forth the equity capitalization of Reorganized Accuride on a *pro forma* basis, giving effect to the transactions contemplated by the Plan, including the initial distributions of New Common Stock to the Holders of Subordinated Notes Claims and, if applicable, Holders of Accuride Other Equity Interests, the payment of the Backstop Fee, the conversion of the New Notes and the exercise of the New Warrants. The following tables have been prepared for illustrative purposes only and assume that the New Notes are converted into shares of New Common Stock, and that the New Warrants are exercised in full in cash to acquire shares of New Common Stock, in each case on the Effective Date of the Plan. There can be no assurance as to the timing of the conversion of the New Notes or the exercise of the New Warrants, or whether the New Notes or the New Warrants will ever be converted or exercised. In addition, the calculations in the following tables do not give effect to additional dilution that is expected to occur after the Effective Date of the Plan, including dilution anticipated upon the conversion of New Notes issued in payment of PIK interest or the issuance of New Common Stock under the Equity Incentive Plan. All percents set forth in the following tables represent the applicable percent of the total number of shares of New Common Stock deemed to be outstanding, on a fully diluted basis, for purposes of the calculations set forth in the applicable column in the table.

The distribution under the Plan to the Holders of Accuride Other Equity Interests depends upon whether such Holders vote to accept or reject the Plan. The following table sets forth the anticipated equity capitalization of Reorganized Accuride, assuming that the Holders of Accuride Other Equity Interests vote to accept the Plan:

**Pro Forma Equity Capitalization of Reorganized Accuride**
**(Assuming Accuride Other Equity Interests Vote to Accept the Plan)**

| | Initial Distribution(1) | | After Payment of Backstop Fee (2) | | After Conversion of New Notes (3) | | After Conversion of New Notes and Exercise of Warrants (4) | |
|---|---|---|---|---|---|---|---|---|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Issued to Holders of Subordinated Notes Claims | 98,000,000 | 98.0% | 98,000,000 | 78.4% | 98,000,000 | 31.4% | 98,000,000 | 26.7% |
| Issued to Holders of Accuride Other Equity Interests | 2,000,000 | 2.0% | 2,000,000 | 1.6% | 2,000,000 | 0.6% | 24,058,824 | 6.5% |
| Issued as | - | - | 25,000,000 | 20.0% | 25,000,000 | 8.0% | 25,000,000 | 6.8% |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Backstop Fee to Backstop Investors | | | | | | | | |
| Issued to Noteholders on Conversion of New Notes | - | - | - | - | 187,500,000 | 60.0% | 220,588,235 | 60.0% |
| **Total** | 100,000,000 | 100% | 125,000,000 | 100% | 312,500,000 | 100% | 367,647,059 | 100% |

(1) Calculated based on distribution of New Common Stock to Holders of Subordinated Notes Claims and Accuride Other Equity Interests, and prior to payment of the Backstop Fee, the conversion of the New Notes or the exercise of the New Warrants.

(2) Calculated based on distribution of New Common Stock to Holders of Subordinated Notes Claims and Accuride Other Equity Interests and the payment of the Backstop Fee, and prior to the conversion of the New Notes and the exercise of the New Warrants.

(3) Calculated based on distribution of New Common Stock to Holders of Subordinated Notes Claims and Accuride Other Equity Interests, the payment of the Backstop Fee and the conversion of the New Notes, and prior to the exercise of the Warrant.

(4) Calculated based on distribution of New Common Stock to Holders of Subordinated Notes Claims and Accuride Other Equity Interests, the payment of the Backstop Fee, the conversion of the New Notes and the exercise of the New Warrants. Additional shares of New Common Stock will be issued upon conversion of the New Notes to ensure that Holders of New Notes receive 60% of the fully diluted capitalization of Reorganized Accuride after the exercise of the New Warrants. For purposes of calculating the number of shares issued to Holders of Accuride Other Equity Interests, this analysis assumes the New Warrants are exercised prior to the conversion of the New Notes and, therefore, the percentage represented by the shares issuable upon the exercise of the New Warrants is diluted upon the conversion of the New Notes.

The following table sets forth the anticipated equity capitalization of Reorganized Accuride, assuming that the Holders of Accuride Other Equity Interests vote to reject the Plan:

**Pro Forma Equity Capitalization of Reorganized Accuride**
**(Assumes Accuride Other Equity Interests Vote to Reject the Plan)**

| | Initial Distribution(1) | | After Payment of Backstop Fee (2) | | After Conversion of New Notes (3) | |
|---|---|---|---|---|---|---|
| | Number | Percent | Number | Percent | Number | Percent |
| Issued to Holders of Subordinated Notes Claims | 98,000,000 | 100.0% | 98,000,000 | 80.0% | 98,000,000 | 32.0% |
| Issued to Holders of Accuride Other Equity Interests | - | - | - | - | - | - |
| Issued as Backstop Fee to Backstop Investors | - | - | 24,500,000 | 20.0% | 24,500,000 | 8.0% |
| Issued to Noteholders on Conversion of New Notes | - | - | - | - | 183,750,000 | 60.0% |
| **Total** | 98,000,000 | 100.0% | 122,500,000 | 100.0% | 306,250,000 | 100.0% |

(1) Calculated based on distribution of New Common Stock to Holders of Subordinated Notes Claims, and prior to payment of the Backstop Fee and the conversion of the New Notes.

(2) Calculated based on distribution of New Common Stock to Holders of Subordinated Notes Claims and the payment of the Backstop Fee, and prior to the conversion of the New Notes.

(3) Calculated based on distribution of New Common Stock to Holders of Subordinated Notes Claims, the payment of the Backstop Fee and the conversion of the New Notes.

## IV.
## SUMMARY OF THE PLAN

**THIS SECTION IV IS INTENDED ONLY TO PROVIDE A SUMMARY OF THE MATERIAL TERMS OF THE PLAN AND IS QUALIFIED BY REFERENCE TO THE ENTIRE DISCLOSURE STATEMENT AND THE PLAN AND SHOULD NOT BE RELIED ON FOR A COMPREHENSIVE DISCUSSION OF THE PLAN. TO THE EXTENT THERE ARE ANY INCONSISTENCIES OR CONFLICTS BETWEEN THIS SECTION IV AND THE PLAN, THE TERMS AND CONDITIONS SET FORTH IN THE PLAN SHALL CONTROL AND GOVERN.**

### A. ADMINISTRATIVE, DIP FACILITY AND PRIORITY TAX CLAIMS

#### 1. Administrative Claims

Subject to sub-paragraph (a) below, on the later of the Effective Date or the date on which an Administrative Claim becomes an Allowed Administrative Claim, or, in each such case, as soon as practicable thereafter, each Holder of an Allowed Administrative Claim will receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim either (i) payment in full in Cash for the unpaid portion of such Allowed Administrative Claim; or (ii) such other less favorable treatment as agreed to in writing by the Debtors or Reorganized Debtors, as applicable, and such Holder; provided, however, that Administrative Claims incurred by the Debtors in the ordinary course of business may be paid in the ordinary course of business in accordance with such applicable terms and conditions relating thereto in the discretion of the Debtors or Reorganized Debtors without further notice to or order of the Bankruptcy Court.

(a) Bar Date for Administrative Claims

Except as otherwise provided in Article II.A of the Plan, unless previously Filed or paid, requests for payment of Administrative Claims must be Filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not File and serve such a request by the Administrative Claims Bar Date will be forever barred, estopped and enjoined from asserting such Administrative Claims against the Debtors or the Reorganized Debtors or their Estates and property and such Administrative Claims will be deemed discharged as of the Effective Date. All such Claims will, as of the Effective Date, be subject to the permanent injunction set forth in Article X.F of the Plan. Objections to such requests must be Filed and served on the Reorganized Debtors and the requesting party by the later of (i) 60 days after the Effective Date and (ii) 60 days after the Filing of the applicable request for payment of Administrative Claims, if applicable, as the same may be modified or extended from time to time by order of the Bankruptcy Court.

(b) Professional Compensation and Reimbursement Claims

(i) *Professional Fee Claims.* Professionals or other Entities asserting a Professional Fee Claim for services rendered before the Effective Date must File and serve on the Reorganized Debtors and such other Entities who are designated by the Bankruptcy Rules, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Professional Fee Claim no later than the Professional Fees Bar Date; provided that the Reorganized Debtors will pay Professionals in the ordinary course of business for any work performed after the Effective Date, including those fees and expenses incurred by Professionals in connection with the implementation and consummation of this Plan, in each case without further application or notice to or order of the Bankruptcy Court; provided, further, that any professional who may receive compensation or reimbursement of expenses pursuant to the Ordinary Course Professionals Order may continue to receive such compensation and reimbursement of expenses for services rendered before the Effective Date, without further Bankruptcy Court order, pursuant to the Ordinary Course Professionals Order. Objections to any Professional Fee Claim must be Filed and served on the Reorganized Debtors and the requesting party by the later of (a) 90 days after the Effective Date and

(b) 30 days after the Filing of the applicable request for payment of the Professional Fee Claim. Each Holder of an Allowed Professional Fee Claim will be paid by the Reorganized Debtors in Cash within five Business Days of entry of the order approving such Allowed Professional Fee Claim.

(ii) *Ad Hoc Noteholders Group Fees and Expenses and Secured Lenders' Fees and Expenses*. The Ad Hoc Noteholders Group Professionals, the DIP Agent's and the DIP Lenders' professionals, the Prepetition Agent's professional and the professionals of the members of the steering committee of Prepetition Lenders will not be required to comply with the U.S. Trustee fee guidelines, but will provide reasonably detailed statements (redacted if necessary for privileged, confidential or otherwise sensitive information) to the Office of the U.S. Trustee, counsel for any Committee and the Debtors. Notwithstanding anything herein to the contrary, the Debtors will, within ten (10) days of presentment of such statements, if no written objections to the reasonableness of the fees and expenses charged in any such invoice (or portion thereof) is made, pay in Cash the Ad Hoc Noteholders Group Fees and Expenses, and all unpaid reasonable fees and expenses (whether accrued prepetition or postpetition) of the Prepetition Agent, the DIP Agent, the DIP Lenders, each of the Prepetition Lenders that are members of the steering committee of Prepetition Lenders, and each of the members of the Ad Hoc Noteholders Group related to and arising from membership in such group, as Administrative Claims. Any objection to the payment of such fees or expenses will be made only on the basis of "reasonableness," and will specify in writing the amount of the contested fees and expenses and the detailed basis for such objection. To the extent an objection only contests a portion of an invoice, the undisputed portion thereof will be promptly paid. If any such objection to payment of an invoice (or any portion thereof) is not otherwise resolved between the Debtors, any Committee or the U.S. Trustee and the issuer of the invoice, either party may submit such dispute to the Court for a determination as to the reasonableness of the relevant disputed fees and expenses set forth in the invoice. The Bankruptcy Court will resolve any dispute as to the reasonableness of any fees and expenses if the Debtors or Reorganized Debtors and any such Entity cannot agree on the amount of fees and expenses to be paid to such party.

**2. DIP Facility Claims**

Unless otherwise agreed to by the DIP Lenders, the Allowed DIP Facility Claims will be indefeasibly paid and satisfied in full in Cash on the Effective Date in full satisfaction, settlement, discharge and release of, and in exchange for, such DIP Facility Claims. Upon indefeasible payment and satisfaction in full of all Allowed DIP Facility Claims, the DIP Facility Credit Agreement and all "Loan Documents" as defined therein, and all Liens and security interests granted to secure the DIP Facility Claims, will be immediately terminated, extinguished and released, and the DIP Agent will promptly execute and deliver to the Reorganized Debtors, at the Reorganized Debtors' sole cost and expense, such instruments of termination, release, satisfaction and/or assignment (in recordable form) as may be reasonably requested by the Reorganized Debtors. Notwithstanding the above, any indemnity provisions contained in the DIP Facility Credit Agreement will survive such termination, release and satisfaction in the manner and to the extent set forth therein.

**3. Priority Tax Claims**

The legal, equitable and contractual rights of the Holders of Priority Tax Claims are unaltered by the Plan. Subject to Article VIII of the Plan, on, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Priority Tax Claim is an Allowed Priority Tax Claim as of the Effective Date or (ii) the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim, each Holder of an Allowed Priority Tax Claim due and payable on or prior to the Effective Date will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Priority Tax Claim, at the election of the Debtors or Reorganized Debtors: (a) Cash in an amount equal to the amount of such Allowed Priority Tax Claim; (b) such other less favorable treatment as agreed to in writing by the Debtors or Reorganized Debtors, as applicable, and such Holder; provided, however, that such parties may further agree for the payment of such Allowed Priority Tax Claim at a later date; or (c) pursuant to and in accordance with sections 1129(a)(9)(C) and (D) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Priority Tax Claim payable in regular installment payments over a period ending not more than five years after the Petition Date, plus simple interest at the rate required by applicable law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by a particular taxing authority and the Debtors or Reorganized Debtors, as applicable, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; provided, further, that Priority Tax Claims incurred by the Debtors in the ordinary course of business may be paid in the ordinary course of business in accordance with such applicable terms and conditions

relating thereto in the discretion of the Debtors or Reorganized Debtors without further notice to or order of the Bankruptcy Court. Any installment payments to be made under clause (c) above will be made in equal quarterly Cash payments beginning on the Subsequent Distribution Date, and continuing on each Subsequent Distribution Date thereafter until payment in full of the applicable Allowed Priority Tax Claim.

## B. CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS

### 1. Summary

All Claims and Equity Interests, except Administrative Claims, DIP Facility Claims and Priority Tax Claims, are placed in the Classes set forth below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, DIP Facility Claims and Priority Tax Claims have not been classified as described in Article II of the Plan.

The categories of Claims and Equity Interests listed below classify Claims and Equity Interests for all purposes, including, without limitation, voting, confirmation and distribution pursuant to the Plan and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. The Plan deems a Claim or Equity Interest to be classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and will be deemed classified in a different Class to the extent that any remainder of such Claim or Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that any such Claim or Equity Interest is Allowed in that Class and has not been paid, released or otherwise settled prior to the Effective Date.

### 2. Classification and Treatment of Claims and Equity Interests

(a) Class 1 – Other Priority Claims

- *Classification*: Class 1 consists of the Other Priority Claims.

- *Treatment*: The legal, equitable and contractual rights of the Holders of Class 1 Claims are unaltered by the Plan. Subject to Article VIII of the Plan, on, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Class 1 Claim is an Allowed Class 1 Claim on the Effective Date or (ii) the date on which such Class 1 Claim becomes an Allowed Class 1 Claim, each Holder of an Allowed Class 1 Claim will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 1 Claim, at the election of the Debtors or Reorganized Debtors: (A) Cash equal to the amount of such Allowed Class 1 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors and the Holder of such Allowed Class 1 Claim will have agreed upon in writing; or (C) such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code; provided, however, that Class 1 Claims incurred by the Debtors in the ordinary course of business may be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto in the discretion of the Debtors or Reorganized Debtors without further notice to or order of the Bankruptcy Court.

- *Voting*: Class 1 is an Unimpaired Class, and the Holders of Class 1 Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 1 Claims will not be entitled to vote to accept or reject the Plan.

(b) Class 2 et seq. – Other Secured Claims

- *Classification*: Each Class 2 Claim is an Other Secured Claim against the applicable Debtors. With respect to each Debtors, this Class will be further divided into subclasses designated by letters of the alphabet (Class 2A, Class 2B and so on), so that each holder

of any Other Secured Claim against such Debtor is in a Class by itself, except to the extent that there are Other Secured Claims that are substantially similar to each other and may be included within a single Class, and except for a precautionary class of otherwise unclassified Other Secured Claims.

- *Treatment*: The legal, equitable and contractual rights of the Holders of Class 2 Claims are unaltered by the Plan. Subject to Article VIII of the Plan, on, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Class 2 Claim is an Allowed Class 2 Claim on the Effective Date or (ii) the date on which such Class 2 Claim becomes an Allowed Class 2 Claim, each Holder of an Allowed Class 2 Claim will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 2 Claim, at the election of the Debtors or Reorganized Debtors: (A) Cash equal to the amount of such Allowed Class 2 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors and the Holder of such Allowed Class 2 Claim will have agreed upon in writing; or (C) such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code; provided, however, that Class 2 Claims incurred by the Debtors in the ordinary course of business may be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto in the discretion of the Debtors or Reorganized Debtors without further notice to or order of the Bankruptcy Court. Each Holder of an Allowed Other Secured Claim will retain the Liens securing its Allowed Other Secured Claim as of the Effective Date until full and final payment of such Allowed Other Secured Claim is made as provided herein. On the full payment or other satisfaction of such obligations, the Liens securing such Allowed Other Secured Claim will be deemed released, terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

- *Voting*: Class 2 is an Unimpaired Class, and the Holders of Class 2 Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 2 Claims will not be entitled to vote to accept or reject the Plan.

(c) Class 3 et seq. – Secured Tax Claims

- *Classification*: Each Class 3 Claim is an Secured Tax Claim against the applicable Debtors. With respect to each Debtor, this Class will be further divided into subclasses designated by letters of the alphabet (Class 3A, Class 3B and so on), so that each holder of any Secured Tax Claim against such Debtor is in a Class by itself, except to the extent that there are Secured Tax Claims that are substantially similar to each other and may be included within a single Class, and except for a precautionary class of otherwise unclassified Secured Tax Claims.

- *Treatment*: The legal, equitable and contractual rights of the Holders of Class 3 Claims are unaltered by the Plan. Subject to Article VIII of the Plan, on, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Class 3 Claim is an Allowed Class 3 Claim as of the Effective Date or (ii) the date on which such Class 3 Claim becomes an Allowed Class 3 Claim, each Holder of an Allowed Class 3 Claim due and payable on or prior to the Effective Date will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 3 Claim, at the election of the Debtors or Reorganized Debtors: (a) Cash in an amount equal to the amount of such Allowed Class 3 Claim; (b) such other less favorable treatment as agreed to in writing by the Debtors or Reorganized Debtors, as applicable, and such Holder; provided, however, that such parties may further agree for the payment of such Allowed Class 3 Claim at a later date; or (c) pursuant to and in accordance with sections

1129(a)(9)(C) and (D) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Class 3 Claim payable in regular installment payments over a period ending not more than five years after the Petition Date, plus simple interest at the rate required by applicable law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by a particular taxing authority and the Debtors or Reorganized Debtors, as applicable, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; provided, further, that Class 3 Claims incurred by the Debtors in the ordinary course of business may be paid in the ordinary course of business in accordance with such applicable terms and conditions relating thereto in the discretion of the Debtors or Reorganized Debtors without further notice to or order of the Bankruptcy Court. Each Holder of an Allowed Class 3 Claim will retain the Liens securing its Allowed Class 3 Claim as of the Effective Date until full and final payment of such Allowed Class 3 Claim is made as provided herein. On the full payment or other satisfaction of such obligations, the Liens securing such Allowed Class 3 Claim will be deemed released, terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity. Any installment payments to be made under clause (c) above will be made in equal quarterly Cash payments beginning on the first Subsequent Distribution Date following the Effective Date, and continuing on each Subsequent Distribution Date thereafter until payment in full of the applicable Allowed Secured Tax Claim.

- *Voting*: Class 3 is an Unimpaired Class, and the Holders of Class 3 Claims will be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 3 Claims will not be entitled to vote to accept or reject the Plan.

(d) Class 4A – Prepetition First Out Credit Agreement LC Claims

- *Classification*: Class 4A consists of the Prepetition First Out Credit Agreement LC Claims.

- *Allowance*: On the Effective Date, the Prepetition First Out Credit Agreement LC Claims will be deemed Allowed contingent claims in an aggregate amount equal to $2 million.

- *Treatment*: On the Effective Date, the Prepetition Credit Agreement and all "Loan Documents" as defined therein will, subject to satisfaction or waiver of the conditions precedent set forth in the Restructured Credit Facility Agreement, be amended, restated and replaced in their entirety by the Restructured Credit Facility Agreement and all "Loan Documents" as defined therein; provided, that certain "Collateral Documents" (as defined in the Prepetition Credit Agreement) will be amended, supplemented or otherwise modified and will constitute and become "Collateral Documents" (as defined in the Restructured Credit Facility Agreement), and will secure all the obligations under the Restructured Credit Facility Agreement and the other "Loan Documents" (as defined in the Restructured Credit Facility Agreement). On the Effective Date, the Holder of the Allowed Prepetition First Out Credit Agreement LC Claim will receive, as prepetition letter of credit issuer, the right to receive the letter of credit fees, the reimbursement rights and the other rights set forth in the Restructured Credit Facility Agreement, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim. Upon the effectiveness of the Restructured Credit Facility Agreement and receipt by the Distribution Agent of the Prepetition Last Out Payment Amount described below, the Prepetition Credit Agreement and all Liens securing such Allowed Prepetition First Out Credit Agreement LC Claims, will be deemed released, terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of

any Entity; provided, however, that certain "Collateral Documents" and Liens granted thereunder will, notwithstanding the release, termination and extinguishment of the Liens securing the obligations under the Prepetition Credit Agreement, continue in existence for the purpose of securing the obligations under the Restructured Credit Facility Agreement and the other "Loan Documents" (as defined in the Restructured Credit Facility Agreement). The Prepetition Agent and the Prepetition Lenders will promptly execute and deliver to the Reorganized Debtors such instruments of termination, release, satisfaction and/or assignment (in recordable form) of any and all "Loan Documents" (as defined in the Prepetition Credit Agreement) that do not constitute and become "Collateral Documents" (as defined in the Restructured Credit Facility Agreement) as may be reasonably requested by the Reorganized Debtors.

- *Voting*: Class 4A is Impaired, and Holders of Class 4A Claims are entitled to vote to accept or reject the Plan.

(e) Class 4B – Prepetition First Out Credit Agreement Other Claims

- *Classification*: Class 4B consists of the Prepetition First Out Credit Agreement Other Claims.

- *Allowance*: On the Effective Date, the Prepetition First Out Credit Agreement Other Claims will be deemed Allowed in an aggregate amount equal to $306.2 million.

- *Treatment*: On the Effective Date, the Prepetition Credit Agreement and all "Loan Documents" as defined therein will, subject to satisfaction of the conditions precedent set forth in the Restructured Credit Facility Agreement, be amended, restated and replaced in their entirety by the Restructured Credit Facility Agreement and all "Loan Documents" as defined therein; provided, that certain "Collateral Documents" (as defined in the Prepetition Credit Agreement) will be amended, supplemented or otherwise modified and will constitute and become "Collateral Documents" (as defined in the Restructured Credit Facility Agreement), and will secure all the obligations under the Restructured Credit Facility Agreement and the other "Loan Documents" (as defined in the Restructured Credit Facility Agreement). On the Effective Date, each and every Holder of an Allowed Prepetition First Out Credit Agreement Other Claim will become a "Lender" under the Restructured Credit Facility Agreement on a Pro Rata basis with all of the rights set forth therein, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim. Upon the effectiveness of the Restructured Credit Facility Agreement and receipt by the Distribution Agent of the Prepetition Last Out Payment Amount described below, the Prepetition Credit Agreement and all Liens securing such Allowed Prepetition First Out Credit Agreement LC Claims, will be deemed released, terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity; provided, however, that certain "Collateral Documents" and Liens granted thereunder will, notwithstanding the release, termination and extinguishment of the Liens securing the obligations under the Prepetition Credit Agreement, continue in existence for the purpose of securing the obligations under the Restructured Credit Facility Agreement and the other "Loan Documents" (as defined in the Restructured Credit Facility Agreement). The Prepetition Agent and the Prepetition Lenders will promptly execute and deliver to the Reorganized Debtors such instruments of termination, release, satisfaction and/or assignment (in recordable form) of any and all "Loan Documents" (as defined in the Prepetition Credit Agreement) that do not constitute and become "Collateral Documents" (as defined in the Restructured Credit Facility Agreement) as may be reasonably requested by the Reorganized Debtors.

- *Voting*: Class 4B is Impaired, and Holders of Class 4B Claims are entitled to vote to accept or reject the Plan.

(f) Class 5 – Prepetition Last Out Credit Agreement Claims

- *Classification*: Class 5 consists of the Prepetition Last Out Credit Agreement Claims.

- *Allowance*: On the Effective Date, the Prepetition Last Out Credit Agreement Claims will be deemed Allowed in an aggregate amount equal to $70.1 million.

- *Treatment*: On the Effective Date, the Distribution Agent will receive for and on behalf of each and every Holder of an Allowed Prepetition Last Out Credit Agreement Claim, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim, the Prepetition Last Out Payment Amount, which the Distribution Agent will promptly distribute Pro Rata to or for the benefit of Holders of Allowed Prepetition Last Out Credit Agreement Claims. Upon the Distribution Agent's receipt of the foregoing and upon the effectiveness of the Restructured Credit Facility described above, the Prepetition Credit Agreement, and all Liens securing such Allowed Prepetition Last Out Credit Agreement Claims, will be deemed released, terminated and extinguished as and to the extent described in Sections III.B.4.c. and III.B.5.c. of the Plan and, in any event, such Liens will no longer secure the Allowed Prepetition Last Out Credit Agreement Claims, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

- *Voting*: Class 5 is an Unimpaired Class, and the Holders of Class 5 Claims will be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 5 Claims are not entitled to vote to accept or reject the Plan.

(g) Class 6 – General Unsecured Claims

- *Classification*: Class 6 consists of the General Unsecured Claims.

- *Treatment*: Subject to Article VIII of the Plan solely to the extent, if any, of the legal, equitable and contractual rights in respect of any Class 6 Claim under applicable non-bankruptcy law, each Allowed Class 6 Claim will be, at the Debtors' option: (i) Reinstated and paid, subject to the terms and conditions thereof, in Cash when due in the ordinary course of the Reorganized Debtors' business operations and not on the Effective Date or (iii) otherwise rendered not impaired pursuant to section 1124 of the Bankruptcy Code, except to the extent that the Reorganized Debtors and such Holder agree to other less favorable treatment in writing. .

- *Voting*: Class 6 is an Unimpaired Class, and the Holders of Class 6 Claims will be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 6 Claims are not entitled to vote to accept or reject the Plan.

(h) Class 7 – Subordinated Notes Claims

- *Classification*: Class 7 consists of the Subordinated Notes Claims.

- *Allowance*: On the Effective Date, the Subordinated Notes Claims will be deemed Allowed in an aggregate amount equal to $291 million.

- *Treatment*: On the Effective Date, the Distribution Agent will receive for and on behalf of each and every Holder of an Allowed Subordinated Notes Claim, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim, 98,000,000 shares of the New Common Stock. The Distribution Agent will promptly distribute the New Common Stock on a Pro Rata basis to the Holders of Allowed Subordinated Notes Claims.

- *Voting*: Class 7 is Impaired, and Holders of Class 7 Claims are entitled to vote to accept or reject the Plan.

(i) Class 8 – Intercompany Claims

- *Classification*: Class 8 consists of the Intercompany Claims.

- *Treatment*: Notwithstanding the substantive consolidation of the Debtors for voting and distribution purposes under the Plan, on the Effective Date, all Class 8 Intercompany Claims will be Reinstated.

- *Voting*: Class 8 is an Unimpaired Class, and the Holders of Class 8 Claims will be conclusively deemed to have accepted the Plan. Therefore, Holders of Class 8 Claims will not be entitled to vote to accept or reject the Plan.

(j) Class 9 – Accuride Preferred Equity Interests

- *Classification*: Class 9 consists of the Equity Interests in Accuride. Class 9 consists of all of the Accuride Preferred Equity Interests

- *Treatment*: On the Effective Date, immediately after the Accuride Other Equity Interests are canceled, the Accuride Preferred Equity Interests will be redeemed in accordance with Section 3 of the Certificate of Designation of Series A Preferred Stock of Accuride Corporation (the "**Certificate of Designation**") and the Holder of the Accuride Preferred Equity Interests will, upon surrender of the Accuride Preferred Equity Interests, receive the $100 liquidation preference in Cash. In accordance with the Certificate of Designation, from and after notice of redemption, the Accuride Preferred Equity Interests will no longer be, or be deemed to be, outstanding for any purpose, and all rights, preferences and powers (including voting rights and powers) of the Accuride Preferred Equity Interests will automatically cease and terminate.

- *Voting*: Class 9 is an Unimpaired Class, and the Holders of Class 9 Equity Interests will be conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 9 Equity Interests are not entitled to vote to accept or reject this Plan.

(k) Class 10 – Accuride Other Equity Interests

- *Classification*: Class 10 consists of the Accuride Other Equity Interests.

- *Treatment*: On the Effective Date, all Class 10 Equity Interests will be deemed canceled and will be of no further force and effect, whether surrendered for cancellation or otherwise. In the event Class 10 votes to reject the Plan, the Holders of Class 10 Equity Interests will not receive any distribution or retain any property on account of such Class 10 Equity Interests. In the event Class 10 votes to accept the Plan, on the Initial Distribution Date, each holder of Accuride Other Equity Interests as of the Distribution Record Date will receive a Pro Rata share of 2,000,000 shares of the New Common

Stock and its Pro Rata share of the New Warrants in satisfaction of its Class 10 Equity Interests.

- *Voting*: Class 10 is Impaired, and the Holders of Class 10 Equity Interests are entitled to vote to accept or reject the Plan.

(l) Class 11 -- Equity Interests in Subsidiaries

- *Classification*: Class 11 consists of the Equity Interests in the Subsidiaries.

- *Treatment*: On the Effective Date, the Reorganized Debtors will retain the Equity Interests they hold in the Subsidiaries.

- *Voting*: Class 11 is an Unimpaired Class, and the Holders of Class 11 Equity Interests will be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 10 Equity Interests are not entitled to vote to accept or reject the Plan.

### 3. Special Provision Governing Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan will affect the Debtors' rights in respect of any Unimpaired Claims, including, without limitation, all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims.

### 4. Discharge of Claims

Except as otherwise provided in the Plan and effective as of the Effective Date: (i) the rights afforded herein and the treatment of all Claims and Equity Interests will be in exchange for and in complete satisfaction, settlement, discharge, and release of all Claims and Equity Interests of any nature whatsoever, including (except in the case of postpetition interest comprising part of the Prepetition First Out Credit Agreement Claim or the DIP Facility Claim) any interest accrued on such Claims from and after the Petition Date, against the Debtors or any of their assets, property, or Estates; (ii) the Plan will bind all Holders of Claims and Equity Interests, notwithstanding whether any such Holders abstained from voting to accept or reject the Plan or voted to reject the Plan; (iii) all Claims and Equity Interests will be satisfied, discharged, and released in full, and the Debtors' liability with respect thereto will be extinguished completely, including any liability of the kind specified under section 502(g) of the Bankruptcy Code; and (iv) all Entities will be precluded from asserting against the Debtors, the Debtors' Estates, the Reorganized Debtors, each of their successors and assigns, and each of their assets and properties, any other Claims or Equity Interests based upon any documents, instruments or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date..

## C. ACCEPTANCE OR REJECTION OF THE PLAN

### 1. Presumed Acceptance of Plan

Classes 1, 2, 3, 5, 6, 8, 9 and 11 are Unimpaired under the Plan, and are, therefore, presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

### 2. Voting Classes

Each Holder of an Allowed Claim or Allowed Equity Interest as of the applicable Voting Record Date in each of the Voting Classes (Classes 4A, 4B, 7 and 10) will be entitled to vote to accept or reject the Plan.

### 3. Acceptance by Impaired Classes of Claims and Equity Interests

Pursuant to section 1126(c) of the Bankruptcy Code and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims has accepted the Plan if the Holders of at least two-thirds in dollar amount and more than one-half in number of the Allowed Claims in such Class actually voting have voted to accept the Plan. Pursuant to section 1126(d) of the Bankruptcy Code and except as otherwise provided in section 1126(e) of the Bankruptcy Code, a Class of Equity Interests has accepted the Plan if at least two-thirds in amount of the Allowed Equity Interests in such Class actually voting have voted to accept the Plan.

### 4. Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code

The Debtors request confirmation of the Plan under section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that does not accept the Plan pursuant to section 1126 of the Bankruptcy Code. The Debtors reserve the right to modify the Plan or any Exhibit thereto or Plan Schedule in order to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary.

## D. MEANS FOR IMPLEMENTATION OF THE PLAN

### 1. General Settlement of Claims

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan will constitute a good faith compromise and settlement of all Claims and Equity Interests and controversies resolved pursuant to the Plan.

### 2. Substantive Consolidation of Claims and Equity Interests against Debtors for Plan Purposes Only

The Plan is premised on the substantive consolidation of all of the Debtors with respect to the voting and treatment of all Claims and Equity Interests except for the Other Secured Claims in Class 2 and Secured Tax Claims in Class 3, as provided below. The Plan does not contemplate substantive consolidation of the Debtors with respect to the Class 2 Claims or Class 3 Claims, which will be deemed to apply separately with respect to the Plan proposed by each Debtor. This Plan will serve as a request by the Debtors, in lieu of a separate motion, to the Bankruptcy Court, that it grant substantive consolidation with respect to the voting and treatment of all Claims and Equity Interests other than Class 2 Claims and Class 3 Claims as follows: on the Effective Date, (a) Class 8 Intercompany Claims will not be taken into account for voting or treatment purposes under this Plan (although such Claims will be Reinstated); (b) all assets and liabilities of the Debtors will be merged or treated as though they were merged (except to the extent they secure any Allowed Other Secured Claim or Allowed Secured Tax Claim); (c) all guarantees of the Debtors of the obligations of any other Debtor and any joint or several liability of any of the Debtors will be eliminated; and (d) each and every Claim or Interest (except for Other Secured Claims and Secured Tax Claims) against any Debtor will be deemed Filed against the consolidated Debtors and all Claims (except for Other Secured Claims and Secured Tax Claims) Filed against more than one Debtor for the same liability will be deemed one Claim against any obligation of the consolidated Debtors. For the avoidance of doubt, the Debtors will not be substantively consolidated for any purpose other than as set forth in the Plan or Confirmation Order.

### 3. Corporate Existence

The Debtors will continue to exist after the Effective Date as a separate legal entities, with all the powers of corporations, memberships and partnerships pursuant to the applicable law in their states of incorporation or organization and pursuant to the Amended Organizational Documents.

### 4. Vesting of Assets in the Reorganized Debtors

Except as otherwise provided in the Plan or the Confirmation Order, on or after the Effective Date, all property and assets of the Estates (including, without limitation, Causes of Action and, unless otherwise waived or released pursuant to an order of the Bankruptcy Court or the Plan, Avoidance Actions) and any property and assets acquired by the Debtors pursuant to the Plan will vest in the Reorganized Debtors, free and clear of all Liens, Claims, charges or other encumbrances. Except as may be provided in the Plan, on and after the Effective Date, the Reorganized Debtors may operate their businesses and may use, acquire or dispose of property and compromise or settle any Claims without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and the Confirmation Order. Without limiting the foregoing, the Reorganized Debtors will pay the charges that they incur after the Effective Date for Professionals' fees, disbursements, expenses or related support services (including reasonable fees relating to the preparation of Professional fee applications) in the ordinary course of business and without application or notice to, or order of, the Bankruptcy Court.

### 5. Restructured Credit Facility and Sources of Cash for Plan Distributions

On the Effective Date, the Reorganized Debtors will be authorized to execute and deliver the Restructured Credit Facility Agreement, as well as execute, deliver, file, record and issue any notes, guarantees, documents (including UCC financing statements), or agreements in connection therewith, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than expressly required by the Restructured Credit Facility Agreement). Except as otherwise provided in the Plan or the Confirmation Order, all Cash necessary for the Reorganized Debtors to make payments required pursuant to the Plan will be obtained from the Reorganized Debtors' Cash balances, including Cash from operations and the proceeds of the Rights Offering. Cash payments to be made pursuant to the Plan will be made by the Reorganized Debtors.

### 6. New Common Stock; New Warrants

On the Effective Date, Reorganized Accuride will issue New Common Stock to Holders of Allowed Subordinated Notes Claims and Allowed Accuride Other Equity Interests pursuant to the terms set forth herein. The aggregate number of shares of New Common Stock to be authorized on the Effective Date will be 800,000,000 shares. The aggregate number of shares of New Common Stock to be issued on the Effective Date will be 122,500,000 shares if Class 10 votes to reject the Plan or 125,000,000 shares if the Class 10 votes to accept the Plan. From and after the Effective Date, Reorganized Accuride will use its best efforts to list the New Common Stock on a national securities exchange.

In the event Class 10 votes to accept the Plan, on the Effective Date, Reorganized Accuride will issue New Warrants to Holders of Allowed Accuride Other Equity Interests pursuant to the terms set forth herein.

### 7. Registration Agreement

On the Effective Date, Accuride will be authorized to enter into and consummate the transactions contemplated by the Registration Agreement and such documents, and any agreement or document entered into in connection therewith, will become effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than as expressly required by the Registration Agreement).

### 8. Rights Offering

(a) Issuance of Rights; New Indenture.

Each Rights Offering Participant will receive Subscription Rights to subscribe for its Pro Rata Share of the Rights Offering Notes for an aggregate purchase price equal to the applicable Subscription Payment Amount. In

accordance with the Backstop Commitment Agreement, the Backstop Investors have committed to purchase all Remaining Rights Offering Notes. The Rights Offering Notes, including the Remaining Rights Offering Notes, will be issued to the Rights Offering Participants and/or the Backstop Investors, as applicable, for an aggregate purchase price equal to the Rights Offering Amount. The Rights Offering Notes will be subject to the terms of the New Indenture. On the Effective Date, Accuride will be authorized to enter into and consummate the transactions contemplated by the New Indenture and any agreement or document entered into in connection therewith, and the New Indenture and all such agreements and documents will become effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than as expressly required by the New Indenture).

(b) Subscription Period.

The Rights Offering will commence on the Subscription Commencement Date and will expire on the Subscription Deadline. Each Rights Offering Participant that intends or desires to participate in the Rights Offering must affirmatively elect to exercise its Subscription Rights, and provide written notice thereof to the Entities specified in the Subscription Form, on or prior to the Subscription Deadline in accordance with the terms of the Plan and the Subscription Form. All Remaining Rights Offering Notes will be allocated to the Backstop Investors on the Subscription Deadline, and will be purchased by the Backstop Investors on the Effective Date, all in accordance with the terms and conditions of the Backstop Commitment Agreement.

(c) Exercise of Subscription Rights and Payment of Subscription Payment Amount.

On the Subscription Commencement Date, Accuride or another applicable Distribution Agent will mail the Subscription Form to each Rights Offering Participant known as of the Rights Offering Record Date, together with appropriate instructions for the proper completion, due execution, and timely delivery of the Subscription Form, as well as instructions for the payment of the eventual Subscription Payment Amount for that portion of the Subscription Rights sought to be exercised by such Person. The Debtors may adopt, with the prior written consent of the Ad Hoc Noteholders Group, such additional detailed procedures consistent with the provisions of the Plan to more efficiently administer the exercise of the Subscription Rights.

In order to exercise the Subscription Rights, each Rights Offering Participant must return a duly completed Subscription Form (making a binding and irrevocable commitment to participate in the Rights Offering) to the Debtors or other Entity specified in the Subscription Form so that such form is actually received by the Debtors or such other Entity on or before the Subscription Deadline. If the Debtors or such other Entity for any reason does not receive from a given holder of Subscription Rights a duly completed Subscription Form on or prior to the Subscription Deadline, then such holder will be deemed to have forever and irrevocably relinquished and waived its right to participate in the Rights Offering. On the Subscription Notification Date, the Debtors will notify each Rights Offering Purchaser of its respective allocated portion of Rights Offering Notes, and in the case of the Backstop Investors, the Debtors will notify each Backstop Investor as soon as practicable after the Subscription Deadline and, in any event, at least four (4) Business Days prior to the Effective Date, of its portion of the Remaining Rights Offering Notes that such Backstop Investor is obligated to purchase pursuant to the Backstop Commitment Agreement and the purchase price therefor. Each Rights Offering Purchaser (other than the Backstop Investors, whose payments will be received by the Debtors on the Effective Date in accordance with the Backstop Commitment Agreement) must tender its Subscription Payment Amount to the Debtors so that it is actually received on or prior to the Subscription Payment Date. In the event the Debtors receive any payments for the exercise of Subscription Rights prior to the Effective Date, such payments will be held in a separate account until the Effective Date. In the event the conditions to the Effective Date are not met or waived, such payments will be returned, without accrual or payment of any interest thereon, to the applicable Rights Offering Purchaser, without reduction, offset or counter-claim.

(d) No Transfer; Detachment Restrictions; No Revocation.

The Subscription Rights are not Transferable or detachable. Any such Transfer or detachment, or attempted Transfer or detachment, will be null and void and the Debtors will not treat any purported transferee of the Subscription Rights separate from the Subordinated Notes Claims as the holder of any Subscription Rights.

Once a Rights Offering Participant has exercised any of its Subscription Rights by properly executing and delivering the Subscription Form to the Debtors or other Entity specified in the Subscription Form, such exercise may only be revoked, rescinded or annulled in the sole discretion of the Debtors or Reorganized Debtors.

(e) Distribution of Rights Offering Notes.

On, or as soon as reasonably practicable after, the Effective Date, Reorganized Accuride or another applicable Distribution Agent will distribute the Rights Offering Notes purchased by each Rights Offering Purchaser or Backstop Investor to such Rights Offering Purchaser or Backstop Investor.

(f) Validity of Exercise of Subscription Rights.

All questions concerning the timeliness, validity, form, and eligibility of any exercise, or purported exercise, of Subscription Rights will be determined by the Debtors or Reorganized Debtors. The Debtors or Reorganized Debtors, in their discretion reasonably exercised in good faith, may waive any defect or irregularity, or permit a defect or irregularity to be corrected within such times as they may determine, or reject the purported exercise of any Subscription Rights. A Subscription Form will be deemed not to have been received or accepted until all irregularities have been waived or cured within such time as the Debtors or Reorganized Debtors determine in their discretion reasonably exercised in good faith. The Debtors or Reorganized Debtors will use commercially reasonable efforts to give written notice to any Rights Offering Participant regarding any defect or irregularity in connection with any purported exercise of Subscription Rights by such Person and may permit such defect or irregularity to be cured within such time as they may determine in good faith to be appropriate; provided, however, that neither the Debtors and Reorganized Debtors nor any of their Related Persons will incur any liability for giving, or failing to give, such notification and opportunity to cure.

(g) Rights Offering Proceeds.

The proceeds of the Rights Offering will fund Cash payments required to be made under this Plan, including, without limitation, Transaction Expenses, the Prepetition Last Out Payment Amount and repayment of the DIP Facility Claims, and be used for general corporate purposes by the Reorganized Debtors after the Effective Date.

**9. Equity Incentive Program**

As of the Effective Date, the Equity Incentive Program will be deemed adopted and implemented by Reorganized Accuride without further notice to or order of the Bankruptcy Court, or the vote, consent, authorization or approval of any Entity, board of directors or shareholder. The approval of this Plan constitutes approval of the Equity Incentive Program pursuant to Section 303 of the Delaware General Corporate Law.

**10. Issuance of New Securities and Related Documentation**

On the Effective Date, Reorganized Accuride is authorized to and will issue, the New Securities and Documents, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity. The issuance of the New Securities and Documents and the distribution thereof under this Plan, the distribution and exercise of the Subscription Rights, the issuance and distribution of New Common Stock upon exercise of the New Warrants and the issuance and distribution of New Common Stock upon conversion of the New Notes will be exempt from registration under applicable securities laws pursuant to section 1145(a) of the Bankruptcy Code, Section 4(2) of the Securities Act and/or other applicable exemptions. Without limiting the effect of section 1145 of the Bankruptcy Code, all financing documents, agreements, and instruments entered into and delivered on or as of the Effective Date contemplated by or in furtherance of this Plan, including, without limitation, the Restructured Credit Facility Agreement, the New Indenture, the Registration Agreement, the New Notes and any other agreement or document related to or entered into in connection with any of the foregoing, will become, and the Backstop Commitment Agreement will remain, effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable

law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than as expressly required by such applicable agreement).

Upon the Effective Date, after giving effect to the transactions contemplated hereby, the authorized capital stock or other equity securities of the Reorganized Debtors will be that number of shares of New Common Stock as may be designated in the Amended Organizational Documents. Without limiting the effect of section 1145 of the Bankruptcy Code, on the Effective Date, Accuride will enter into the Registration Agreement with each Person (a) who by virtue of the issuance by Accuride to such Person on the Effective Date of the New Common Stock and/or New Notes, as the case may be, and/or its relationship with Accuride (i) holds New Notes or New Common Stock that are "restricted" (as such term is used within the meaning of the applicable securities laws) because acquired in a private placement under Section 4(2) of the Securities Act, or (ii) could otherwise reasonably be deemed to be an "underwriter" or "affiliate" (as such terms are used within the meaning of applicable securities laws) of Accuride, and (b) who requests in writing that Accuride execute such agreement. In connection with the distribution of New Common Stock to current or former employees of the Debtors, Accuride may take whatever actions are necessary to comply with applicable federal, state, local and international tax withholding obligations, including withholding from distributions a portion of the New Common Stock and selling such securities to satisfy tax withholding obligations including, without limitation, income, social security and Medicare taxes.

### 11. Release of Liens, Claims and Equity Interests

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to Article VII of the Plan, all Liens, Claims, Equity Interests, mortgages, deeds of trust, or other security interests against the property of the Estates will be fully released, terminated, extinguished and discharged, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity. Any Entity holding such Liens or interests will, pursuant to section 1142 of the Bankruptcy Code, promptly execute and deliver to the Reorganized Debtors such instruments of termination, release, satisfaction and/or assignment (in recordable form) as may be reasonably requested by the Reorganized Debtors.

### 12. Certificate of Incorporation and Bylaws

The Amended Organizational Documents shall amend or succeed the certificates or articles of incorporation, by-laws, membership agreements, partnership agreements and other organizational documents of the Debtors to satisfy the provisions of this Plan and the Bankruptcy Code, and will (i) include, among other things, pursuant to section 1123(a)(6) of the Bankruptcy Code, a provision prohibiting the issuance of non-voting equity securities, but only to the extent required by section 1123(a)(6) of the Bankruptcy Code; (ii) authorize the issuance of New Common Stock in an amount not less than the amount necessary to permit the distributions thereof required or contemplated by this Plan; (iii) to the extent necessary or appropriate, include restrictions on the Transfer of New Common Stock; and (iv) to the extent necessary or appropriate, include such provisions as may be needed to effectuate and consummate this Plan and the transactions contemplated herein. After the Effective Date, the Reorganized Debtors may amend and restate their certificates or articles of incorporation and by-laws, and other applicable organizational documents, as permitted by applicable law.

### 13. Directors and Officers of Reorganized Accuride

The New Board will initially consist of up to seven (7) directors, who will consist of the Chief Executive Officer of Reorganized Accuride and six (6) directors to be designated by the Ad Hoc Noteholders Group Professionals and consented to by the Debtors or to be otherwise agreed upon between the Ad Hoc Noteholders Group and the Debtors, and, which directors will be identified in the Plan Supplement as Plan Schedule 3. Any directors elected pursuant to Article V.M. of the Plan will be subject to approval of the Bankruptcy Court pursuant to section 1129(a)(5) of the Bankruptcy Code. As of the Effective Date, the initial officers of the Reorganized Debtors will be the officers of the Debtors existing immediately prior to the Effective Date and the existing directors of the Reorganized Debtors other than Reorganized Accuride will be the directors of such Debtors immediately prior to the Effective Date. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will disclose, at or prior to the Confirmation Hearing, the identity and affiliations of any Person proposed to serve on the initial board of

directors of the Reorganized Debtors, and, to the extent such Person is an insider other than by virtue of being a director, the nature of any compensation for such Person. Each such director and officer will serve from and after the Effective Date pursuant to applicable law and the terms of the Amended Organizational Documents and the other constituent and organizational documents of the Reorganized Debtors. The existing board of directors of Accuride will be deemed to have resigned on and as of the Effective Date, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

### 14. Corporate Action

Each of the Debtors and the Reorganized Debtors, as applicable, may take any and all actions to execute, deliver, File or record such contracts, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and implement the provisions of the Plan, including, without limitation, the distribution of the securities to be issued pursuant hereto in the name of and on behalf of the Reorganized Debtors and in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by the security holders, officers or directors of the Debtors or the Reorganized Debtors and as applicable or by any other Person (except for those expressly required pursuant to the Plan).

Prior to, on or after the Effective Date (as appropriate), all matters provided for pursuant to the Plan that would otherwise require approval of the stockholders, directors or members of any Debtor (as of prior to the Effective Date) will be deemed to have been so approved and will be in effect prior to, on or after the Effective Date (as appropriate) pursuant to applicable law and without any requirement of further action by the stockholders, directors, managers or partners of such Debtors, or the need for any approvals, authorizations, actions or consents of any Person.

All matters provided for in the Plan involving the legal or corporate structure of any Debtor or any Reorganized Debtors, as applicable, and any legal or corporate action required by any Debtor or any Reorganized Debtor as applicable, in connection with the Plan, will be deemed to have occurred and will be in full force and effect in all respects, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by the security holders, officers or directors of any Debtor or any Reorganized Debtors, as applicable, or by any other Person. On the Effective Date, the appropriate officers of each Debtor and each Reorganized Debtors, as applicable, are authorized to issue, execute, and deliver, and consummate the transactions contemplated by, the contracts, agreements, documents, guarantees, pledges, consents, securities, certificates, resolutions and instruments contemplated by or described in the Plan in the name of and on behalf of the Debtor and each Reorganized Debtors, as applicable, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person. The secretary and any assistant secretary of each Debtor and each Reorganized Debtor as applicable, will be authorized to certify or attest to any of the foregoing actions.

### 15. Cancellation of Notes, Certificates and Instruments

On the Effective Date, except to the extent otherwise provided in the Plan with respect to "Collateral Documents" under the Prepetition Credit Agreement that will continue in effect and become "Collateral Documents" under the Restated Credit Facility Agreement or otherwise, all notes, stock, instruments, certificates, agreements and other documents evidencing the DIP Facility Claims, Prepetition First Out Credit Agreement Claims, Prepetition Last Out Credit Agreement Claims, Subordinated Notes Claims, the Accuride Preferred Equity interests and the Accuride Other Equity Interests will be canceled, and the obligations of the Debtors thereunder or in any way related thereto will be fully released, terminated, extinguished and discharged, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person.

On the Effective Date, except to the extent otherwise provided herein, the Indenture will be deemed to be canceled, as permitted by section 1123(a)(5)(F) of the Bankruptcy Code, and the obligations of the Debtors thereunder will be fully released, terminated, extinguished and discharged. The Indenture will continue in effect

solely for the purposes of: (1) allowing Holders of the Subordinated Notes Claims to receive distributions under the Plan; and (2) allowing and preserving the rights of the Indenture Trustee to (a) make distributions in satisfaction of Allowed Subordinated Notes Claims, (b) exercise its charging liens against any such distributions, and (c) seek compensation and reimbursement for any fees and expenses incurred in making such distributions. Upon completion of all such distributions, the Subordinated Notes and the Indenture will terminate completely. From and after the Effective Date, the Indenture Trustee will have no duties or obligations under the Indenture other than to make distributions. As of the Effective Date, the Subordinated Notes will be surrendered to the Indenture Trustee in accordance with the terms of the Indenture. All surrendered and canceled Subordinated Notes held by the Indenture Trustee will be disposed of in accordance with the applicable terms and conditions of the Indenture.

## E. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

### 1. Assumption and Rejection of Executory Contracts and Unexpired Leases

On the Effective Date, all Executory Contracts and Unexpired Leases of the Debtors will be deemed assumed in accordance with, and subject to, the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, except for those Executory Contracts (including, without limitation, employment agreements) and Unexpired Leases that:

(i) have been rejected by order of the Bankruptcy Court;

(ii) are the subject of a motion to reject pending on the Effective Date;

(iii) are identified on Plan Schedule 4 or in the Plan Supplement (in either case which Exhibit may be amended by the Debtors to add or remove Executory Contracts and Unexpired Leases by filing with the Bankruptcy Court an amended Exhibit and serving it on the affected contract parties at least ten (10) days prior to the Voting Deadline); or

(iv) are rejected pursuant to the terms of the Plan.

Without amending or altering any prior order of the Bankruptcy Court approving the assumption or rejection of any Executory Contract or Unexpired Lease, entry of the Confirmation Order by the Bankruptcy Court will constitute approval of such assumptions and rejections pursuant to sections 365(a) and 1123 of the Bankruptcy Code. To the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan (including, without limitation, any "change of control" provision) restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the Reorganized Debtors' assumption of such Executory Contract or Unexpired Lease, then such provision will be deemed modified such that the transactions contemplated by the Plan will not entitle the non-debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Each Executory Contract and Unexpired Lease assumed pursuant to Article VI of the Plan will revest in and be fully enforceable by the Reorganized Debtors in accordance with its terms, except as modified by the provisions of the Plan, any order of the Bankruptcy Court authorizing and providing for its assumption, or applicable law.

### 2. Assignment of Executory Contracts or Unexpired Leases

In the event of an assignment of an Executory Contract or Unexpired Lease, at least twenty (20) days prior to the Confirmation Hearing, the Debtors will serve upon counterparties to such Executory Contracts and Unexpired Leases, a notice of the proposed assumption and assignment, which will: (a) list the applicable cure amount, if any; (b) identify the party to which the Executory Contract or Unexpired Lease will be assigned; (c) describe the procedures for filing objections thereto; and (d) explain the process by which related disputes will be resolved by the Bankruptcy Court; additionally, the Debtors will file with the Bankruptcy Court a list of such Executory Contracts and Unexpired Leases to be assigned and the proposed cure amounts. Any applicable cure amounts will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the cure amount in Cash on the Effective Date or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree.

Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assignment or any related cure amount must be filed, served and actually received by the Debtors at least five (5) days prior to the Confirmation Hearing. Any counterparty to an Executory Contract and Unexpired Lease that fails to object timely to the proposed assignment or cure amount will be deemed to have consented to such assignment of its Executory Contract or Unexpired Lease. The Confirmation Order will constitute an order of the Bankruptcy Court approving any proposed assignments of Executory Contracts or Unexpired Leases pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date.

In the event of a dispute regarding (a) the amount of any cure payment, (b) the ability of any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assigned or (c) any other matter pertaining to assignment, the applicable cure payments required by section 365(b)(1) of the Bankruptcy Code will be made following the entry of a Final Order or orders resolving the dispute and approving the assignment. If an objection to assignment or cure amount is sustained by the Bankruptcy Court, the Reorganized Debtors in their sole option, may elect to reject such Executory Contract or Unexpired Lease in lieu of assuming and assigning it.

### 3. Rejection of Executory Contracts or Unexpired Leases

All Executory Contracts and Unexpired Leases listed on Plan Schedule 4 will be deemed rejected as of the Effective Date. The Confirmation Order will constitute an order of the Bankruptcy Court approving the rejections described in Article VI of the Plan pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date.

### 4. Claims on Account of the Rejection of Executory Contracts or Unexpired Leases

All Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to the Plan or the Confirmation Order, if any, must be filed with the Bankruptcy Court within thirty (30) days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection.

Any Entity that is required to file a Proof of Claim arising from the rejection of an Executory Contract or an Unexpired Lease that fails to timely do so will be forever barred, estopped and enjoined from asserting such Claim, and such Claim will not be enforceable, against the Debtors, the Reorganized Debtors or the Estates, and the Debtors, the Reorganized Debtors and their Estates and property will be forever discharged from any and all indebtedness and liability with respect to such Claim unless otherwise ordered by the Bankruptcy Court or as otherwise provided in the Plan. All such Claims will, as of the Effective Date, be subject to the permanent injunction set forth in Article X.F of the Plan.

### 5. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash as and when due in the ordinary course or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree.

Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption must be filed, served and actually received by the Debtors at least ten (10) days prior to the Confirmation Hearing. Any counterparty to an Executory Contract and Unexpired Lease that fails to object timely to the proposed assumption will be deemed to have assented and will be deemed to have forever released and waived any objection to the proposed assumption other than with respect to any alleged cure amount, which may be asserted at any time. In the event of a dispute regarding (1) the amount of any payments to cure a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code will be made following the entry of a Final Order or orders resolving the dispute and approving the assumption. If an objection to cure is sustained by the Bankruptcy Court, the Debtors or Reorganized Debtors, as applicable, in their sole option, may elect to reject such Executory Contract or Unexpired Lease in lieu of assuming it.

### 6. Assumption of Director and Officer Insurance Policies

The Debtors, and upon the Effective Date, the Reorganized Debtors, will assume all of the D&O Liability Insurance Policies pursuant to section 365(a) of the Bankruptcy Code. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of the D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained in the Plan, confirmation of the Plan will not discharge, impair or otherwise modify any indemnity obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such indemnity obligation will be deemed and treated as an Executory Contract that has been assumed by the Debtors under the Plan as to which no Proof of Claim need be Filed. Notwithstanding anything to the contrary contained in the Plan, confirmation of the Plan will not impair or otherwise modify any rights of the Reorganized Debtors under the D&O Liability Insurance Policies.

### 7. Indemnification Provisions

Except as otherwise provided in the Plan, all indemnification provisions currently in place (whether in the by-laws, certificate of incorporation, board resolutions, contracts, or otherwise) for the directors, officers and employees of the Debtors who served in such capacity as of the Petition Date with respect to or based upon any act or omission taken or omitted in such capacities, for or on behalf of the Debtors, will be Reinstated (or assumed, as the case may be), and will survive effectiveness of the Plan; provided, however, that no indemnification provisions for any Non-Released Party will survive the Effective Date.

### 8. Compensation and Benefit Programs

Except as otherwise provided in the Plan or any order of the Bankruptcy Court, all employment and severance policies, and all compensation and benefit plans, policies, and programs of the Debtors applicable to its employees, retirees, and non-employee directors and the employees and retirees of its subsidiaries, including, without limitation, all savings plans, retirement plans, healthcare plans, disability plans, severance benefit plans, incentive plans, life, and accidental death and dismemberment insurance plans, are treated as Executory Contracts under the Plan and on the Effective Date will be assumed pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code. Any payment obligations under any assumed employment contracts and benefit plans that have been or purport to have been accelerated as a result of the commencement of the Chapter 11 Cases or the consummation of any transactions contemplated by the Plan will be Reinstated and such acceleration will be rescinded and deemed not to have occurred.

Accuride Corporation, Transportation Technologies Industries, Inc., Accuride Erie, L.P. and Gunite Corporation are the contributing sponsors for the Accuride Retirement Plan, the Transportation Technologies Industries, Inc. Salaried Pension Plan, the Transportation Technologies Industries, Inc. Bargaining Unit Pension Plan, the Accuride Erie Hourly Employee Pension Plan, the Gunite Corporation Hourly-Rate Employee Pension Plan (Elkhart), and the Gunite Corporation Rockford (UAW) Hourly-Rated Employees Pension Plan, respectively ("**Pension Plans**"). The Pension Plans are covered by Title IV of the Employee Retirement Income Security Act of 1974, as amended, ("**ERISA**"), 29 U.S.C. section 1301 et seq. The Pension Benefit Guaranty Corporation ("**PBGC**"), a United States Government corporation, guarantees the payment of certain pension benefits upon termination of a pension plan covered by Title IV of ERISA.

Upon confirmation of the Plan, the Reorganized Debtors will assume and continue to maintain the Pension Plans, and contribute to the Pension Plans the amount necessary to satisfy the minimum funding standards under sections 302 and 303 of ERISA, 29 U.S.C. §§ 1082 and 1083, and sections 412 and 430 of the Internal Revenue Code, 26 U.S.C. §§ 412 and 430. Nothing in the Plan will be construed as discharging, releasing, or relieving Debtors, or their successors, including the Reorganized Debtors, or any party, in any capacity, from any liability imposed under any law or regulatory provision with respect to the Pension Plans or PBGC. PBGC and the Pension Plans will not be enjoined or precluded from enforcing such liability as a result of any provision of the Plan or the Confirmation Order.

### 9. Workers' Compensation Benefits

Except as otherwise provided in the Plan, as of the Effective Date, the Debtors and the Reorganized Debtors will continue to honor their obligations under: (i) all applicable workers' compensation laws in states in which the Reorganized Debtors operate; and (ii) the Debtors' written contracts, agreements, agreements of indemnity, self-insurer workers' compensation bonds, and any other policies, programs, and plans regarding or relating to workers' compensation and workers' compensation insurance. All such contracts and agreements are treated as Executory Contracts under the Plan and on the Effective Date will be assumed pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code. Notwithstanding anything to the contrary contained in the Plan, confirmation of the Plan will not impair or otherwise modify any rights of the Reorganized Debtors under any such contracts, agreements, policies, programs or plans regarding or relating to workers' compensation or workers' compensation insurance..

## F. PROVISIONS GOVERNING DISTRIBUTIONS

### 1. Distributions for Claims Allowed as of the Effective Date

Except as otherwise provided in the "Treatment" sections in Article III of the Plan or as ordered by the Bankruptcy Court, distributions to be made on account of Claims and Equity Interests that are Allowed Claims or Equity Interests as of the Effective Date will be made on the Initial Distribution Date or as soon thereafter as is practicable. Any distribution to be made on the Effective Date pursuant to the Plan will be deemed as having been made on the Effective Date if such distribution is made on the Effective Date or as soon thereafter as is reasonably practicable. Any payment or distribution required to be made under the Plan on a day other than a Business Day will be made on the next succeeding Business Day. Distributions on account of Disputed Claims and Equity Interests that first become Allowed Claims and Equity Interests after the Effective Date will be made pursuant to Article VIII of the Plan.

### 2. No Postpetition Interest on Claims

Unless otherwise specifically provided for in the Plan, the Confirmation Order or the DIP Orders, or required by applicable bankruptcy law, postpetition interest will not accrue or be paid on any Claims, and no Holder of a Claim (other than a Holder of a DIP Facility Claim, a Prepetition First Out Credit Agreement Claim or a Prepetition Last Out Credit Agreement Claim with respect to such applicable Claim) will be entitled to interest accruing on or after the Petition Date on any Claim.

### 3. Distributions by Reorganized Accuride or Other Applicable Distribution Agent

Other than as specifically set forth in the Plan, Reorganized Accuride or another applicable Distribution Agent will make all distributions required to be distributed under the Plan. Distributions on account of the DIP Facility Claims, Prepetition Credit Facility Claims and Subordinated Notes Claims will be made to the DIP Agent, the Prepetition Agent and the Indenture Trustee, respectively. The Reorganized Debtors may employ or contract with other entities to assist in or make the distributions required by the Plan.

### 4. Delivery and Distributions and Undeliverable or Unclaimed Distributions

#### (a) Record Date for Distributions

On the Distribution Record Date, the Claims Register will be closed. Accordingly, Reorganized Accuride or other applicable Distribution Agent will have no obligation to recognize the Transfer of, or the sale of any participation in, any Allowed Claim that occurs after the close of business on the Distribution Record Date, and will be entitled for all purposes herein to recognize and distribute securities, property, notices and other documents only to those Holders of Allowed Claims who are Holders of such Claims, or participants therein, as of the close of business on the Distribution Record Date. Reorganized Accuride or any other applicable Distribution Agent will be entitled to recognize and deal for all purposes under the Plan with only those record holders stated on the Claims Register, or (if no address appears on the Claims Register) their books and records, as of the close of business on the Distribution Record Date. For purposes of Subordinated Notes Claims, the record Holder thereof as of the Distribution Record Date will be the Indenture Trustee.

#### (b) Delivery of Distributions in General

Except as otherwise provided in the Plan, Accuride, Reorganized Accuride or another applicable Distribution Agent, as applicable, will make distributions to Holders of Allowed Claims and Equity Interests, or in care of their authorized agents, as appropriate, at the address for each such Holder or agent as indicated on the Debtors' books and records as of the date of any such distribution; provided, however, that the manner of such distributions will be determined in the sole discretion of the Debtors or the Reorganized Debtors, as applicable; and provided further, that if a Holder of an Allowed Claim or Equity Interest Files a Proof of Claim, the address for such Holder will be deemed to be the address set forth in any Proof of Claim Filed by that Holder.

All distributions to Holders of Subordinated Notes Claims will be governed by the Indenture and will be deemed completed when made to the Indenture Trustee. The Indenture Trustee may effect any distribution to Holders of Subordinated Notes Claims through the book-entry transfer facilities of The Depository Trust Company, who will distribute the same to its participants in accordance with their respective holdings of Subordinated Notes as of the Distribution Record Date.

#### (c) Minimum Distributions

Notwithstanding anything in the Plan to the contrary, no Distribution Agent will be required to make distributions or payments of less than $25.00 (whether in Cash or otherwise) or to make partial distributions or payments of fractions of dollars. Whenever any payment or distribution of a fraction of a dollar or share of New Common Stock under the Plan would otherwise be called for, the actual payment or distribution will reflect a rounding of such fraction to the nearest whole dollar or share of New Common Stock (up or down), with half dollars and half shares of New Common Stock or less being rounded down.

No Distribution Agent will have any obligation to make a distribution on account of an Allowed Claim if: (a) the aggregate amount of all distributions authorized to be made on the Subsequent Distribution Date in question is or has an economic value less than $50,000, unless such distribution is a final distribution; or (b) the amount to be distributed to the specific Holder of an Allowed Claim on such Subsequent Distribution Date does not constitute a final distribution to such Holder and is or has an economic value less than $25.00, which will be treated as an undeliverable distribution under Article VII.D.4 of the Plan.

(d) Undeliverable Distributions

(i) Holding of Certain Undeliverable Distributions

If the distribution to any Holder of an Allowed Claim or Equity Interest is returned to the Distribution Agent as undeliverable or is otherwise unclaimed, no further distributions will be made to such Holder unless and until the Distribution Agent is notified in writing of such Holder's then current address, at which time all currently due missed distributions will be made to such Holder on the next Subsequent Distribution Date. Undeliverable distributions will remain in the possession of the Reorganized Debtors, subject to Article VII.D.4(b) of the Plan, until such time as any such distributions become deliverable. Undeliverable distributions will not be entitled to any additional interest, dividends or other accruals of any kind on account of their distribution being undeliverable.

(ii) Failure to Claim Undeliverable Distributions

Any Holder of an Allowed Claim or Equity Interest (or any successor or assignee or other Person or Entity claiming by, through, or on behalf of, such Holder) that does not assert a right pursuant to the Plan for an undeliverable or unclaimed distribution within one (1) year after the later of the Effective Date or the date such distribution is due will be deemed to have forfeited its rights for such undeliverable or unclaimed distribution and will be forever barred and enjoined from asserting any such rights for an undeliverable or unclaimed distribution against the Debtors or their Estates, the Reorganized Debtors or their property. In such cases, any Cash for distribution on account of such rights for undeliverable or unclaimed distributions will become the property of the Estates free of any restrictions thereon and notwithstanding any federal or state escheat laws to the contrary. Any Cash, New Common Stock, New Notes, New Warrants and/or other New Securities and Documents or other property held for distribution on account of such Claim or Equity Interest will be canceled and of no further force or effect. Nothing contained in the Plan will require the Debtors, Reorganized Debtors, or any Distribution Agent to attempt to locate any Holder of an Allowed Claim or Equity Interest.

(iii) Failure to Present Checks

Checks issued by the Distribution Agent on account of Allowed Claims will be null and void if not negotiated within 180 days after the issuance of such check. In an effort to ensure that all Holders of Allowed Claims receive their allocated distributions, no later than 180 days after the issuance of such checks, the Reorganized Debtors will File with the Bankruptcy Court a list of the Holders of any un-negotiated checks. This list will be maintained and updated periodically in the sole discretion of the Reorganized Debtors for as long as the Chapter 11 Cases stay open. Requests for reissuance of any check will be made directly to the Distribution Agent by the Holder of the relevant Allowed Claim or Equity Interest with respect to which such check originally was issued. Any Holder of an Allowed Claim or Equity Interest holding an un-negotiated check that does not request reissuance of such un-negotiated check within 365 days after the date of mailing or other delivery of such check will have its Claim or Equity Interest for such un-negotiated check discharged and be discharged and forever barred, estopped and enjoined from asserting any such Claim or Equity Interest against the Reorganized Debtors or their property. In such cases, any Cash held for payment on account of such Claims or Equity Interest will be property of the Reorganized Debtors, free of any Claims or Equity Interests of such Holder with respect thereto. Nothing contained in the Plan will require the Reorganized Debtors to attempt to locate any Holder of an Allowed Claim or Equity Interest.

**5. Compliance with Tax Requirements/Allocations**

In connection with the Plan and all distributions under the Plan, Reorganized Accuride or another applicable Distribution Agent will comply with all withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all distributions under the Plan will be subject to any such withholding and reporting requirements. Reorganized Accuride or other applicable Distribution Agent will be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements. All persons holding Claims will be required to provide any information necessary to effect information reporting and the withholding of such taxes. Notwithstanding any other provision of the Plan to the contrary, each Holder of an Allowed Claim or Equity Interest will have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding,

and other tax obligations, on account of a distribution to such Holder. Any Cash, New Common Stock, New Notes, New Warrants, New Securities and Documents and/or other consideration or property to be distributed pursuant to the Plan will, pending the implementation of such arrangements, be treated as an undeliverable distribution pursuant to Article VII.D.4 of the Plan.

### 6. Allocation of Plan Distributions Between Principal and Interest

To the extent that any Allowed Claim entitled to a distribution under the Plan is comprised of indebtedness and accrued but unpaid interest thereon, such distribution will, to the extent permitted by applicable law, be allocated for income tax purposes to the principal amount of the Claim first and then, to the extent that the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest.

### 7. Means of Cash Payment

Payments of Cash made pursuant to the Plan will be in U.S. dollars and will be made, at the option and in the sole discretion of the Reorganized Debtors, by (a) checks drawn on, or (b) wire transfer from, a domestic bank selected by the Reorganized Debtors. Cash payments to foreign creditors may be made, at the option of the Reorganized Debtors, in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

### 8. Timing and Calculation of Amounts to Be Distributed

On the Initial Distribution Date (or if a Claim or Equity Interest is not an Allowed Claim or Equity Interest on the Effective Date, on the Subsequent Distribution Date occurring after such Claim becomes an Allowed Claim or Equity Interest, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim or Equity Interest will receive the full amount of the distributions that the Plan provides for Allowed Claims or Equity Interests in the applicable Class. If and to the extent that there are Disputed Claims or Equity Interests, distributions on account of any such Disputed Claims or Equity Interests will be made pursuant to the provisions set forth in the applicable class treatment or in Article VIII of the Plan. Except as otherwise provided in the Plan, Holders of Claims and Equity Interests will not be entitled to interest, dividends or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

### 9. Setoffs

Without altering or limiting any of the rights and remedies of the Debtors and Reorganized Debtors under section 502(d) of the Bankruptcy Code, all of which rights and remedies will be reserved, the Debtors and the Reorganized Debtors may, but will not be required to, withhold (but not setoff except as set forth below) from the distributions called for under the Plan on account of any Allowed Claim an amount equal to any claims, Causes of Action and Litigation Claims of any nature that the Debtors or the Reorganized Debtors may hold against the Holder of any such Allowed Claim. In the event that any such claims, Causes of Action or Litigation Claims are adjudicated by Final Order or otherwise resolved against the applicable Holder, the Debtors and Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim and the distributions to be made pursuant hereto on account of such Allowed Claim (before any distribution is made on account of such Allowed Claim), the amount of such adjudicated or resolved claims, Causes of Action or Litigation Claims. Neither the failure to effect such a setoff nor the allowance of any Claim under the Plan will constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claims, Causes of Action or Litigation Claims.

### 10. Surrender of Cancelled Instruments or Securities

As a condition precedent to receiving any distribution pursuant to the Plan on account of an Allowed Claim or Equity Interest evidenced by the instruments, securities, notes, or other documentation canceled pursuant to Article V.O of the Plan, the Holder of such Claim or Equity Interest will tender the applicable instruments, securities, notes or other documentation evidencing such Claim or Equity Interest to Reorganized Accuride or another applicable Distribution Agent unless waived in writing by the Debtors or the Reorganized Debtors, as applicable.

Any Holder of a Claim or Equity Interest that is required, but that fails, to surrender or is deemed to have failed to surrender the applicable note or security required to be tendered under the Plan within one (1) year after the Effective Date will have its Claim and its distribution pursuant to the Plan on account of such Claim or Equity Interest discharged and will be forever barred from asserting any such Claim or Equity Interest against the Reorganized Debtors or their property. In such cases, any Cash, New Common Stock, New Notes, New Warrants and/or other New Securities and Documents or other property held for distribution on account of such Claim or Equity Interest will be canceled and of no further force or effect.

### 11. Lost, Stolen, Mutilated or Destroyed Securities

In addition to any requirements under any applicable agreement and applicable law, any Holder of a Claim or Equity Interest evidenced by a security or note that has been lost, stolen, mutilated, or destroyed will, in lieu of surrendering such security or note to the extent required by the Plan, deliver to Reorganized Accuride and other applicable Distribution Agents: (x) evidence reasonably satisfactory to Reorganized Accuride and other applicable Distribution Agents of such loss, theft, mutilation, or destruction; and (y) such security or indemnity as may be required by Reorganized Accuride and other applicable Distribution Agents to hold such party harmless from any damages, liabilities, or costs incurred in treating such individual as a Holder of an Allowed Claim or Allowed Equity Interest. Upon compliance with Article VII.K of the Plan as determined by the Debtors or Reorganized Debtors by a Holder of a Claim or Equity Interest evidenced by a security or note, such Holder will, for all purposes under the Plan, be deemed to have surrendered such security or note to Reorganized Accuride and other applicable Distribution Agents.

## G. PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED AND DISPUTED CLAIMS

### 1. Resolution of Disputed Claims

#### (a) Allowance of Claims

After the Effective Date and subject to the other provisions of the Plan, the Reorganized Debtors will have and will retain any and all rights and defenses that the Debtors had with respect to any Claim or Equity Interest, except with respect to any Claim or Equity Interest deemed Allowed under the Plan or by orders of the Bankruptcy Court. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including, without limitation, the Confirmation Order and the DIP Orders), no Claim or Equity Interest will become an Allowed Claim unless and until such Claim or Equity Interest is deemed Allowed under the Plan or the Bankruptcy Code or the Bankruptcy Court has entered a Final Order, including, without limitation, the Confirmation Order, in the Chapter 11 Cases allowing such Claim or Equity Interest.

#### (b) Prosecution of Objections to Claims and Equity Interests

After the Confirmation Date but before the Effective Date, the Debtors, and after the Effective Date, the Reorganized Debtors, will have the exclusive authority to File objections to Claims and settle, compromise, withdraw or litigate to judgment objections to any and all Claims, regardless of whether such Claims or Equity Interests are in an Unimpaired Class or otherwise; provided, however, this provision will not apply to Professional Fee Claims, Ad Hoc Noteholders Group Fees and Expenses, the Backstop Fee, the Backstop Transaction Expenses, the Cash Backstop Fee or the DIP Facility Claim. From and after the Effective Date, the Reorganized Debtors may settle or compromise any Disputed Claim or Equity Interest without any further notice to or action, order or approval

of the Bankruptcy Court. The Reorganized Debtors will have the sole authority to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order or approval of the Bankruptcy Court.

(c) Estimation

After the Confirmation Date but before the Effective Date, the Debtors, and after the Effective Date, the Reorganized Debtors may, at any time, request that the Bankruptcy Court estimate (a) any Disputed Claim or Equity Interest pursuant to applicable law and (b) any contingent or unliquidated Claim or Equity Interest pursuant to applicable law, including, without limitation, section 502(c) of the Bankruptcy Code, and the Bankruptcy Court will retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any Disputed Claim or Equity Interest, contingent Claim or Equity Interest or unliquidated Claim or Equity Interest, including during the litigation concerning any objection to any Claim or Equity Interest or during the pendency of any appeal relating to any such objection. All of the aforementioned Claim or Equity Interests and objection, estimation and resolution procedures are cumulative and not exclusive of one another. Claim or Equity Interests may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court. The rights and objections of all parties are reserved in connection with any such estimation proceeding.

(d) Deadline to File Objections to Claims and Equity Interests

Any objections to Claims and Equity Interests will be Filed no later than the Claims Objection Bar Date. Moreover, notwithstanding the expiration of the Claims Objection Bar Date, the Debtors or Reorganized Debtors will continue to have the right to amend any claims objections and to file and prosecute supplemental objections and counterclaims to a Disputed Claim or Equity Interest until such Disputed Claim or Equity Interest is Allowed or disallowed.

**2. No Distributions Pending Allowance**

Notwithstanding any other provision of the Plan to the contrary, no payments or distributions of any kind or nature will be made with respect to the disputed portion of a Disputed Claim or Equity Interest unless and until all objections to such Disputed Claim or Equity Interest have been settled or withdrawn or have been determined by Final Order, and the Disputed Claim or Equity Interest has become an Allowed Claim or Equity Interest; provided, however, that the Debtors will treat the undisputed portion (if any) of a Disputed Claim as an Allowed Claim.

**3. Distributions on Account of Disputed Claims and Equity Interests Once They Are Allowed and Additional Distributions on Account of Previously Allowed Claims and Equity Interests**

On each Subsequent Distribution Date (or such earlier date as determined by the Reorganized Debtors in their sole discretion), Reorganized Accuride or another applicable Distribution Agent will make distributions (a) on account of any Disputed Claim or Equity Interest that has become an Allowed Claim or Equity Interest during the preceding ninety (90) days, and (b) on account of previously Allowed Claims or Equity Interests of property that would have been distributed to the Holders of such Claim or Equity Interest on the dates distributions previously were made to Holders of Allowed Claims or Equity Interests in such Class had the Disputed Claims or Equity Interests that have become Allowed Claims or Equity Interests or disallowed by Final Order of the Bankruptcy Court been Allowed or disallowed, as applicable, on such dates. Such distributions will be made pursuant to the applicable provisions of Article III of the Plan.

## H. CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

**1. Conditions Precedent to Confirmation**

Confirmation of this Plan will be conditioned upon the satisfaction or waiver pursuant to the provisions of Article IX.C hereof of the following:

- The Bankruptcy Court will have entered a Final Order in form and in substance satisfactory to the Debtors, the Requisite Independent Supporting Lenders and the Required Noteholders approving the Disclosure Statement with respect to this Plan as containing adequate information within the meaning of section 1125 of the Bankruptcy Code.

- This Plan and all schedules, documents, supplements and exhibits to this Plan will have been filed in form and substance acceptable to the Debtors, the Requisite Independent Supporting Lenders and the Required Noteholders.

- The proposed Confirmation Order will be in form and substance reasonably acceptable to the Debtors, the Committee, the Requisite Independent Supporting Lenders and the Required Noteholders.

- The board of directors of the Reorganized Debtors will have been selected.

**2. Conditions Precedent to Consummation**

Consummation of this Plan will be conditioned upon the satisfaction or waiver pursuant to the provisions of Article IX.C hereof of the following:

- The Confirmation Order shall have been entered and either (a) become a Final Order or (b) the 10-day stay contemplated by Bankruptcy Rule 3020(e) in respect thereof shall have been terminated, and the Confirmation Order shall otherwise be in a form and in substance reasonably satisfactory to the Debtors, the Committee, the Requisite Independent Supporting Lenders and the Required Noteholders and no stay of the Confirmation Order will have been entered and be in effect. The Confirmation Order will provide that, among other things, the Debtors or the Reorganized Debtors, as appropriate, are authorized and directed to take all actions necessary or appropriate to consummate this Plan, including, without limitation, entering into, implementing and consummating the contracts, instruments, releases, leases, indentures and other agreements or documents created in connection with or described in this Plan.

- The Bankruptcy Court will have entered one or more Final Orders (which may include the Confirmation Order) authorizing the assumption and rejection of Executory Contracts and Unexpired Leases by the Debtors as contemplated in the Plan and the Plan Supplement.

- All documents and agreements necessary to implement this Plan, including, without limitation, Restructured Credit Facility and the New Indenture, in each case in form and substance acceptable to the Debtors, the Requisite Independent Supporting Lenders, the Required Noteholders and Accuride Canada (to the extent it is a party to such agreements), will have (a) been tendered for delivery, and (b) been effected by, executed by, or otherwise deemed binding upon, all Entities party thereto. All conditions precedent to such documents and agreements will have been satisfied or waived pursuant to the terms of such documents or agreements.

- Without limiting the foregoing, the "Canadian Revolving Credit Lenders" (as defined in the Prepetition Credit Agreement) as of the Effective Date will all have executed and delivered the Restructured Credit Facility Agreement and all related documents and instruments.

- All material consents, actions, documents, certificates and agreements necessary to implement the Plan will have been effected or executed and delivered to the required parties and, to the extent required, Filed with the applicable governmental units in accordance with applicable laws.

- The Debtors will have received the Rights Offering Amount, in Cash, net of any fees or expenses authorized by Order of the Bankruptcy Court to be paid from the Rights Offering Amount.

- All interest, fees and expenses (including legal and advisory fees and expenses) on account of the Prepetition First Out Credit Facility Claims shall have been paid as required by the DIP Orders.

- The Confirmation Date will have occurred.

### 3. Waiver of Conditions

The conditions to confirmation of this Plan and to Consummation of this Plan set forth in this Article IX may be waived by the Debtors with the consent of the Requisite Independent Supporting Lenders and the Required Noteholders (not to be unreasonably withheld) without notice, leave or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate this Plan; provided, however, notwithstanding the foregoing, the condition set forth in paragraph B(4) of the Plan may not be waived without the consent of all of the "Canadian Revolving Credit Lenders" (as defined in the Prepetition Credit Agreement), the conditions in paragraphs A(3) and B(1) of the Plan may not be waived without the consent of the Committee, which shall not be unreasonably withheld or delayed, and the condition set forth in paragraph B(7) may not be waived without the consent of the Holders of the Prepetition First Out Credit Agreement Claims. The failure to satisfy or waive a condition to Consummation may be asserted by the Debtors or the Reorganized Debtors regardless of the circumstances giving rise to the failure of such condition to be satisfied. The failure of the Debtors or Reorganized Debtors to exercise any of the foregoing rights will not be deemed a waiver of any other rights, and each right will be deemed an ongoing right that may be asserted at any time.

### 4. Effect of Non Occurrence of Conditions to Consummation

If the Consummation of the Plan does not occur, the Plan will be null and void in all respects and nothing contained in the Plan or the Disclosure Statement will: (a) constitute a waiver or release of any claims by or Claims against or Equity Interests in the Debtors; (b) prejudice in any manner the rights of the Debtors, any Holders or any other Entity; (c) constitute an Allowance of any Claim or Equity Interest; or (d) constitute an admission, acknowledgment, offer or undertaking by the Debtors, any Holders or any other Entity in any respect.

## I. RELEASE, INJUNCTION AND RELATED PROVISIONS

### 1. General

Notwithstanding anything contained in the Plan to the contrary, the allowance, classification and treatment of all Allowed Claims and Equity Interests and their respective distributions and treatments under the Plan, takes into account the relative priority and rights of the Claims and the Equity Interests in each Class in connection with any contractual, legal and equitable subordination rights relating thereto whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code or otherwise. Pursuant to the terms contained in the Plan, among other things, the subordination provisions contained in the Indenture are will be eliminated and each holder of a Subordinated Notes Claim will receive and be entitled to retain the property as set forth in the Plan. As of the Effective Date, any and all contractual, legal and equitable subordination rights, whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code or otherwise, relating to the allowance, classification and treatment of all Allowed Claims and their respective distributions and treatments under the Plan will be settled, compromised, terminated and released pursuant to the Plan; provided, however, that nothing contained in the Plan will preclude any Person or Entity from exercising their rights pursuant to and consistent with the terms of the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under or in connection with the Plan.

In accordance with the provisions of the Plan, including Article VIII thereof, and pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, without any further notice to or action, order or approval of the

Bankruptcy Court, after the Effective Date (1) the Reorganized Debtors may, in their sole and absolute discretion, compromise and settle Claims against them and (2) the Reorganized Debtors may, in their sole and absolute discretion, compromise and settle Causes of Action against other Entities.

**2. Release**

EFFECTIVE AS OF THE EFFECTIVE DATE, FOR GOOD AND VALUABLE CONSIDERATION PROVIDED BY EACH OF THE RELEASED PARTIES, THE ADEQUACY OF WHICH WILL BE CONFIRMED BY THE PLAN, THE DEBTORS AND REORGANIZED DEBTORS, IN THEIR INDIVIDUAL CAPACITIES AND AS DEBTORS-IN-POSSESSION, AND THE HOLDERS OF CLAIMS OR EQUITY INTERESTS, AND EACH OF THEIR RESPECTIVE RELATED PERSONS (COLLECTIVELY, THE "RELEASING PARTIES") WILL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER PROVIDED A FULL DISCHARGE, WAIVER AND RELEASE TO THE RELEASED PARTIES (AND EACH SUCH RELEASED PARTY SO RELEASED WILL BE DEEMED FOREVER RELEASED, WAIVED AND DISCHARGED BY THE RELEASING PARTIES) AND THEIR RESPECTIVE PROPERTIES FROM ANY AND ALL CLAIMS, CAUSES OF ACTION, LITIGATION CLAIMS AND ANY OTHER DEBTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, ACTIONS, REMEDIES, AND LIABILITIES WHATSOEVER, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING AS OF THE EFFECTIVE DATE OR THEREAFTER ARISING, IN LAW, AT EQUITY, WHETHER FOR TORT, CONTRACT, OR OTHERWISE, BASED IN WHOLE OR IN PART UPON ANY ACT OR OMISSION, TRANSACTION, OR OTHER OCCURRENCE OR CIRCUMSTANCES EXISTING OR TAKING PLACE PRIOR TO OR ON THE EFFECTIVE DATE ARISING FROM OR RELATED IN ANY WAY IN WHOLE OR IN PART TO THE DEBTORS, THE CHAPTER 11 CASES, THIS DISCLOSURE STATEMENT, THE PLAN OR THE SOLICITATION OF VOTES ON THE PLAN THAT SUCH RELEASING PARTY WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR THAT ANY HOLDER OF A CLAIM OR EQUITY INTEREST OR OTHER ENTITY WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT FOR OR ON BEHALF OF THE DEBTORS, THEIR ESTATES OR THE REORGANIZED DEBTORS (WHETHER DIRECTLY OR DERIVATIVELY) AGAINST ANY OF THE RELEASED PARTIES; PROVIDED, HOWEVER, THAT THE FOREGOING PROVISIONS OF THIS RELEASE WILL NOT OPERATE TO WAIVE OR RELEASE (I) ANY CAUSES OF ACTION EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN OR THE PLAN SUPPLEMENT; (II) ANY CAUSES OF ACTION ARISING FROM FRAUD OR WILLFUL MISCONDUCT AS DETERMINED BY FINAL ORDER OF THE BANKRUPTCY COURT OR ANY OTHER COURT OF COMPETENT JURISDICTION; AND/OR (III) THE RIGHTS OF SUCH RELEASING PARTY TO ENFORCE THE PLAN AND THE CONTRACTS, INSTRUMENTS, RELEASES, INDENTURES, AND OTHER AGREEMENTS OR DOCUMENTS DELIVERED UNDER OR IN CONNECTION WITH THE PLAN OR ASSUMED PURSUANT TO THE PLAN OR ASSUMED PURSUANT TO FINAL ORDER OF THE BANKRUPTCY COURT. THE FOREGOING RELEASE WILL BE EFFECTIVE AS OF THE EFFECTIVE DATE WITHOUT FURTHER NOTICE TO OR ORDER OF THE BANKRUPTCY COURT, ACT OR ACTION UNDER APPLICABLE LAW, REGULATION, ORDER, OR RULE OR THE VOTE, CONSENT, AUTHORIZATION OR APPROVAL OF ANY PERSON AND THE CONFIRMATION ORDER WILL PERMANENTLY ENJOIN THE COMMENCEMENT OR PROSECUTION BY ANY PERSON OR ENTITY, WHETHER DIRECTLY, DERIVATIVELY OR OTHERWISE, OF ANY CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION, OR LIABILITIES RELEASED PURSUANT TO THIS RELEASE. IN ADDITION, THE DEBTORS, ON BEHALF OF THE DEBTORS, THEIR ESTATES, AND THE REORGANIZED DEBTORS, HEREBY RELEASE AND WAIVE ANY AND ALL AVOIDANCE ACTIONS AGAINST ANY AND ALL PERSONS.

**3. Discharge of Claims**

To the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code, except as otherwise expressly provided by the Plan or the Confirmation Order, all consideration distributed under the Plan will be in exchange for, and in complete satisfaction, settlement, discharge, and release of, all Claims and Equity Interests of any kind or nature whatsoever against the Debtors or any of their assets or properties, and regardless of whether any property will have been distributed or retained pursuant to the Plan on account of such Claims or Equity Interests. Except as otherwise expressly provided by the Plan or the Confirmation Order, upon the Effective Date, the Debtors and their Estates will be deemed discharged and released under and to

the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code from any and all Claims and Equity Interests of any kind or nature whatsoever, including, but not limited to, demands and liabilities that arose before the Confirmation Date, and all debts of the kind specified in section 502(g), 502(h), or 502(i) of the Bankruptcy Code.

**4. Exculpation**

The Exculpated Parties will neither have nor incur any liability to any Entity for any claims or Causes of Action arising before, on or after the Petition Date and prior to or on the Effective Date for any act taken or omitted to be taken in connection with, or related to formulating, negotiating, preparing, disseminating, implementing, administering, confirming or effecting the Consummation of the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors, the approval of the Disclosure Statement or confirmation or Consummation of the Plan; provided, however, that the foregoing provisions will have no effect on the liability of any Entity that results from any such act or omission that is determined in a Final Order of the Bankruptcy Court or other court of competent jurisdiction to have constituted gross negligence or willful misconduct; provided, further, that each Exculpated Party will be entitled to rely upon the advice of counsel concerning its duties pursuant to, or in connection with, the above referenced documents, actions or inactions; provided, further, however that the foregoing provisions will not apply to any acts, omissions, Claims, Causes of Action or other obligations expressly set forth in and preserved by the Plan or the Plan Supplement.

**5. Preservation of Rights of Action**

(a) Maintenance of Causes of Action

Except as otherwise provided in Article X or elsewhere in the Plan or the Confirmation Order, after the Effective Date, the Reorganized Debtors will retain all rights to commence, pursue, litigate or settle, as appropriate, any and all Causes of Action and Litigation Claims, whether existing as of the Petition Date or thereafter arising, in any court or other tribunal including, without limitation, in an adversary proceeding Filed in the Chapter 11 Cases. The Reorganized Debtors, as the successors in interest to the Debtors and the Estates, may, and will have the exclusive right to, enforce, sue on, settle, compromise, transfer or assign (or decline to do any of the foregoing) any or all of the Litigation Claims without notice to or approval from the Bankruptcy Court. The Litigation Claims include, without limitation, the claims set forth on Plan Schedule 2.

(b) Preservation of All Causes of Action Not Expressly Settled or Released

Unless a Cause of Action or Litigation Claim against a Holder of a Claim or an Equity Interest or other Entity is expressly waived, relinquished, released, compromised or settled in the Plan or any Final Order (including, without limitation, the Confirmation Order), the Debtors expressly reserve such Cause of Action or Litigation Claim for later adjudication by the Debtors or the Reorganized Debtors (including, without limitation, Causes of Action and Litigation Claims not specifically identified or of which the Debtors may presently be unaware or which may arise or exist by reason of additional facts or circumstances unknown to the Debtors at this time or facts or circumstances that may change or be different from those the Debtors now believe to exist) and, therefore, no preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches will apply to such Causes of Action or Litigation Claims upon or after the confirmation of the Plan or Consummation of the Plan based on the Disclosure Statement, the Plan or the Confirmation Order, except where such Causes of Action or Litigation Claims have been expressly released in the Plan (including, without limitation, and for the avoidance of doubt, the Release contained in Article X.B of the Plan) or any other Final Order (including, without limitation, the Confirmation Order). In addition, the Debtors and the Reorganized Debtors expressly reserve the right to pursue or adopt any claims alleged in any lawsuit in which any Debtor is a plaintiff, defendant or an interested party, against any Entity, including, without limitation, the plaintiffs or co-defendants in such lawsuits.

### 6. Injunction

EXCEPT AS OTHERWISE PROVIDED IN THE PLAN, FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION OR OTHER PROCEEDING, OR CREATING, PERFECTING OR ENFORCING ANY LIEN OF ANY KIND, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, EQUITY INTEREST, OR REMEDY RELEASED OR TO BE RELEASED, EXCULPATED OR TO BE EXCULPATED, OR DISCHARGED OR TO BE DISCHARGED PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER. BY ACCEPTING DISTRIBUTIONS PURSUANT TO THE PLAN, EACH HOLDER OF AN ALLOWED CLAIM OR EQUITY INTEREST WILL BE DEEMED TO HAVE SPECIFICALLY CONSENTED TO THIS INJUNCTION. ALL INJUNCTIONS OR STAYS PROVIDED FOR IN THE CHAPTER 11 CASES UNDER SECTION 105 OR 362 OF THE BANKRUPTCY CODE, OR OTHERWISE, AND IN EXISTENCE ON THE CONFIRMATION DATE, WILL REMAIN IN FULL FORCE AND EFFECT UNTIL THE EFFECTIVE DATE.

## J. BINDING NATURE OF PLAN

ON THE EFFECTIVE DATE, AND EFFECTIVE AS OF THE EFFECTIVE DATE, THE PLAN WILL BIND, AND WILL BE DEEMED BINDING UPON, ALL HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS, AND SUCH HOLDER'S RESPECTIVE SUCCESSORS AND ASSIGNS, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NOTWITHSTANDING WHETHER OR NOT SUCH HOLDER (I) WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE PLAN, (II) HAS FILED A PROOF OF CLAIM OR INTEREST IN THE CHAPTER 11 CASES OR (III) FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN OR AFFIRMATIVELY VOTED TO REJECT THE PLAN.

## V.
## CONFIRMATION AND CONSUMMATION PROCEDURES

### A. SOLICITATION OF VOTES

The process by which the Debtors will solicit votes to accept or reject the Plan is summarized in Section I herein titled, "Executive Summary" and set forth in detail in the Disclosure Statement Order, which is attached as Exhibit C to this Disclosure Statement.

**PLEASE REFER TO THE DISCLOSURE STATEMENT ORDER FOR MORE INFORMATION REGARDING VOTING REQUIREMENTS TO ENSURE THAT VOTES ARE PROPERLY AND TIMELY SUBMITTED SUCH THAT THEY ARE COUNTED AS VOTES TO ACCEPT OR REJECT THE PLAN.**

### B. CONFIRMATION PROCEDURES

#### 1. Confirmation Hearing

**The Confirmation Hearing will commence at 10:00 a.m. prevailing Eastern Time on February 10, 2010** before the Honorable Brendan L. Shannon, United States Bankruptcy Judge, in the United States Bankruptcy Court for the District of Delaware, located at 824 Market Street, 6th Floor, Courtroom 1, Wilmington, Delaware 19801-3024. The Confirmation Hearing may be continued from time to time by the Bankruptcy Court or the Debtors without further notice other than by such adjournment being announced in open court or by a notice of adjournment filed with the Bankruptcy Court and served on such parties as the Bankruptcy Court may order. Moreover, the Plan may be modified or amended, if necessary, pursuant to section 1127 of the Bankruptcy Code, prior to, during or as a result of the Confirmation Hearing, without further notice to parties-in-interest.

**The Confirmation Objection Deadline is 4:00 p.m. prevailing Eastern Time on [January 29], 2010.**

All Confirmation Objections must be filed with the Bankruptcy Court and served on the Debtors and certain other parties in accordance with the Disclosure Statement Order on or before the Confirmation Objection Deadline.

CONFIRMATION OBJECTIONS NOT TIMELY FILED AND SERVED IN THE MANNER SET FORTH HEREIN MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT AND MAY BE OVERRULED WITHOUT FURTHER NOTICE.

#### 2. Filing Objections to the Plan

Any objection to confirmation of the Plan must: (i) be in writing; (ii) conform to the Bankruptcy Rules and the Local Rules; (iii) state the name of the objecting party and the amount and nature of the Claim or the amount of Equity Interests held by such Entity; (iv) state with particularity the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection; and (v) be filed, contemporaneously with a proof of service, with the Bankruptcy Court and served so that it is **actually received** no later than the Confirmation Objection Deadline by the Notice Parties, as defined in Section I.F herein.

### C. STATUTORY REQUIREMENTS FOR CONFIRMATION OF THE PLAN

At the Confirmation Hearing, the Bankruptcy Court will determine whether the Plan satisfies the requirements of section 1129 of the Bankruptcy Code. The Debtors believe that: (i) the Plan satisfies or will satisfy all of the statutory requirements of chapter 11 of the Bankruptcy Code; (ii) the Debtors have complied or will have complied with all of the requirements of chapter 11 of the Bankruptcy Code; and (iii) the Plan has been proposed in

good faith. Specifically, the Debtors believe that the Plan satisfies or will satisfy the applicable confirmation requirements of section 1129 of the Bankruptcy Code set forth below.

- The Plan complies with the applicable provisions of the Bankruptcy Code.
- The Debtors have complied with the applicable provisions of the Bankruptcy Code.
- The Plan has been proposed in good faith and not by any means forbidden by law.
- Any payment made or promised under the Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Cases, or in connection with the Plan and incident to the case, has been or will be disclosed to the Bankruptcy Court, and any such payment: (a) made before the confirmation of the Plan is reasonable; or (b) is subject to the approval of the Bankruptcy Court as reasonable if it is to be fixed after confirmation of the Plan.
- The Debtors have disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the Plan, as a director or officer of the Debtors, an affiliate of the Debtors participating in the plan with the Debtors, or a successor to the Debtors under the Plan. The appointment to, or continuance in, such office by such individual, will be consistent with the interests of creditors and equity security holders and with public policy and the Debtors will have disclosed the identity of any insider that the Reorganized Debtors will employ or retain, and the nature of any compensation for such insider;
- Either each Holder of an Impaired Claim or Equity Interest in Accuride will (A) have accepted the Plan or will receive or retain under the Plan on account of such Claim or Equity Interest property of a value, as of the Effective Date of the Plan, that is not less than the amount that such Holder would receive or retain if the Debtors were liquidated on that date under chapter 7 of the Bankruptcy Code, or (B) if section 1111(b)(2) applies to such Claim, receive or retain under the Plan on account of such Claim property of a value, as of the Effective Date of the Plan, that is not less than the value of such Holder's interest in the estate's interest in the property that secures such claims;
- Each Class of Claims or Equity Interests that is entitled to vote on the Plan will either have accepted the Plan or will not be Impaired under the Plan, or the Plan can be confirmed without the approval of such voting Class pursuant to section 1129(b) of the Bankruptcy Code;
- Except to the extent that the Holder of a particular Claim will agree to a different treatment of its Claim, the Plan provides that Administrative Claims and Other Priority Claims will be paid in full in Cash on the Effective Date, or as soon thereafter as is reasonably practicable, and that Priority Tax Claims will be paid in accordance with section 1129(a)(9)(C) of the Bankruptcy Code;
- At least one Class of Impaired Claims or Equity Interests will accept the Plan, determined without including any acceptance of the Plan by any insider holding a Claim or Equity Interest in that Class;
- Confirmation of the Plan will not likely be followed by the liquidation or the need for further financial reorganization of the Debtors or any successor thereto under the Plan;
- The Debtors have paid or will pay all fees payable under section 1930 of title 28, and the Plan provides for the payment of all such fees on the Effective Date; and
- The Plan provides for the continuation after the Effective Date of payment of all retiree benefits.

**1. Best Interests of Creditors Test/Liquidation Analysis**

Often called the "best interests" test, section 1129(a)(7) of the Bankruptcy Code requires that the bankruptcy court find, as a condition to confirmation of a chapter 11 plan, that each holder of a claim or equity interest in each impaired class: (i) has accepted the plan; or (ii) among other things, will receive or retain under the plan property of a value, as of the effective date of the plan, that is not less than the amount that such Person would receive if each of the debtors were liquidated under chapter 7 of the Bankruptcy Code. To make these findings, the Bankruptcy Court must: (1) estimate the Cash proceeds (the "**Liquidation Proceeds**") that a chapter 7 trustee would generate if each Debtor's Chapter 11 Case were converted to a chapter 7 case on the Effective Date and the assets of such Debtor's Estate were liquidated; (2) determine the distribution (the "**Liquidation Distribution**") that each non-accepting Holder of a Claim or Equity Interest would receive from the Liquidation Proceeds under the priority scheme dictated in chapter 7; and (3) compare each Holder's Liquidation Distribution to the distribution under the Plan ("**Plan Distribution**") that such Holder would receive if the Plan were confirmed and consummated.

To assist the Bankruptcy Court in making the findings required under section 1129(a)(7) of the Bankruptcy Code, the Debtors' management, together with Zolfo Cooper ("**ZC**"), the Debtors' restructuring and financial advisors, prepared a Liquidation Analysis, a copy of which is attached hereto as Exhibit F.

The Liquidation Analysis presents "High", "Midpoint" and "Low" estimates of Liquidation Proceeds, thus representing a range of management's assumptions relating to the costs incurred during a liquidation and the proceeds realized as a result thereof. The "High", "Midpoint" and "Low" estimates of Liquidation Proceeds for the Chapter 11 Cases are $117,380,000, $95,237,000 and $73,093,000, respectively. For additional detail with respect to such estimates, refer to the Liquidation Analysis attached hereto as Exhibit F. It is assumed that the liquidation would occur over a period of four months. The projected date of conversion to a hypothetical chapter 7 liquidation (the "**Assumed Effective Date**") is September 1, 2009. In each case, it is assumed that the chapter 7 trustee would enter into an agreement with the Debtors' Prepetition Lenders, as applicable, to wind-down operations and sell the remainder of the Debtors' assets on a piecemeal basis.

In a chapter 7 liquidation, certain distinctive factors would limit recovery from the sale of the Debtors' assets. Among the Debtors' most valuable assets are its accounts receivable, finished goods inventory and machinery and equipment. Although a significant portion of the Debtors' trade receivables are current, in a liquidation, the Debtors likely would have a more difficult time collecting such receipts. The Debtors' long customer relationships along with strong brand recognition should allow a substantial amount of finished goods to be sold. However, in order to sell the finished goods within the liquidation timeframe and without warranties or availability of future services for the products, discounts would likely be required. Much of the machinery and equipment are specialized and/or heavy duty machinery that are costly to relocate. As a result, sale of any machinery and equipment would likely generate minimal proceeds when compared to book values for such assets. In aggregate, such reduced realizations would reduce the amounts available for distributions to creditors.

THE STATEMENTS IN THE LIQUIDATION ANALYSIS, INCLUDING ESTIMATES OF ALLOWED CLAIMS, WERE PREPARED SOLELY TO ASSIST THE BANKRUPTCY COURT IN MAKING THE FINDINGS REQUIRED UNDER SECTION 1129(a)(7) AND THEY MAY NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE.

THE DEBTORS BELIEVE THAT ANY ANALYSIS OF A HYPOTHETICAL LIQUIDATION IS NECESSARILY SPECULATIVE. THERE ARE A NUMBER OF ESTIMATES AND ASSUMPTIONS UNDERLYING THE LIQUIDATION ANALYSIS THAT ARE INHERENTLY SUBJECT TO SIGNIFICANT ECONOMIC, COMPETITIVE AND OPERATIONAL UNCERTAINTIES AND CONTINGENCIES BEYOND THE CONTROL OF THE DEBTORS OR A CHAPTER 7 TRUSTEE. NEITHER THE LIQUIDATION ANALYSIS, NOR THE FINANCIAL INFORMATION ON WHICH IT IS BASED, HAS BEEN EXAMINED OR REVIEWED BY INDEPENDENT ACCOUNTANTS IN ACCORDANCE WITH STANDARDS PROMULGATED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS. THERE CAN BE NO ASSURANCE THAT ACTUAL RESULTS WOULD NOT VARY MATERIALLY FROM THE HYPOTHETICAL RESULTS PRESENTED IN THE LIQUIDATION ANALYSIS.

### 2. Feasibility

Section 1129(a)(11) of the Bankruptcy Code requires that the bankruptcy court find that confirmation is not likely to be followed by the liquidation of the Reorganized Debtors or the need for further financial reorganization, unless the plan contemplates such liquidation. For purposes of demonstrating that the Plan meets this "feasibility" standard, the Debtors have analyzed the ability of the Reorganized Debtors to meet their obligations under the Plan and to retain sufficient liquidity and capital resources to conduct their business.

The Debtors believe that the Plan meets the feasibility requirement set forth in section 1129(a)(11) of the Bankruptcy Code. In connection with the development of the Plan and for the purposes of determining whether the Plan satisfies this feasibility standard, the Debtors analyzed their ability to satisfy its financial obligations while maintaining sufficient liquidity and capital resources. The Debtors' management, with the assistance of its financial advisors, developed a business plan and prepared financial projections for fiscal years 2009 through 2014 (the "Financial Projections"). The Financial Projections, together with the assumptions on which they are based, are attached hereto as Exhibit D.

In general, as illustrated by the Financial Projections, the Debtors believe that with the significantly de-leveraged capital structure provided under the Plan and the return to trade terms, the Reorganized Debtors should have sufficient Cash flow and availability to make all payments required pursuant to the Plan while conducting ongoing businesses operations. The Debtors believe that confirmation and Consummation is, therefore, not likely to be followed by the liquidation or further reorganization of the Reorganized Debtors. Accordingly, the Debtors believe that the Plan satisfies the feasibility requirement of section 1129(a)(11) of the Bankruptcy Code.

THE FINANCIAL PROJECTIONS, INCLUDING THE UNDERLYING ASSUMPTIONS, SHOULD BE CAREFULLY REVIEWED IN EVALUATING THE PLAN. WHILE MANAGEMENT BELIEVES THE ASSUMPTIONS UNDERLYING THE FINANCIAL PROJECTIONS, WHEN CONSIDERED ON AN OVERALL BASIS, ARE REASONABLE IN LIGHT OF CURRENT CIRCUMSTANCES AND EXPECTATIONS, NO ASSURANCE CAN BE GIVEN THAT THE FINANCIAL PROJECTIONS WILL BE REALIZED. THE DEBTORS MAKE NO REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF THE FINANCIAL PROJECTIONS.

The Financial Projections have not been examined or compiled by independent accountants. The Debtors make no representation as to the accuracy of the Financial Projections or their ability to achieve the projected results. Many of the assumptions on which the projections are based are inherently subject to significant economic and competitive uncertainties and contingencies beyond the control of the Debtors and their management. Inevitably, some assumptions will not materialize and unanticipated events and circumstances may affect the actual financial results. Therefore, the actual results achieved throughout the 5-year period of the Financial Projections may vary from the projected results and the variations may be material. All Holders of Claims and Equity Interests that are entitled to vote to accept or reject the Plan are urged to examine carefully all of the assumptions on which the financial projections are based in connection with their evaluation of the Plan.

### 3. Acceptance by Impaired Classes

The Bankruptcy Code requires, as a condition to confirmation, that, except as described in the following section, each class of claims or equity interests that is impaired under a plan, accept the plan. A class that is not "impaired" under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to such class is not required. A class is "impaired" unless the plan: (a) leaves unaltered the legal, equitable and contractual rights to which the claim or the interest entitles the holder of such claim or interest or (b) notwithstanding any contractual provision or applicable law that entitles the holder of such claim or interest to demand or receive accelerated payment of such claim or interest after the occurrence of a default, (i) cures any default that occurred before or after the commencement of the chapter 11 case; (ii) reinstates the maturity of such claim or interest as such maturity existed before such default; (iii) compensates the holder of such claim or interest for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law; and (iv) does not otherwise alter the legal, equitable, or contractual rights to which such claim or interest entitles the holder of such claim or interest.

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds in dollar amount and more than one-half in number of claims in that

class, but for that purpose counts only those who actually vote to accept or to reject the plan and are not insiders. Thus, a class of claims will have voted to accept the plan only if two-thirds in amount and a majority in number actually voting cast their ballots in favor of acceptance. Section 1126(d) of the Bankruptcy Code, except as otherwise provided in section 1126(e) of the Bankruptcy Code, defines acceptance of a plan by a class of impaired equity interests as acceptance by holders of at least two-thirds in amount of equity interests in that class actually voting to accept or to reject the plan.

Claims in Class 1, 2, 3, 5, 6 and 8 and Equity Interests in Classes 9 and 11 are not Impaired under the Plan, and, as a result, the Holders of such Claims and Equity Interests are deemed to have accepted the Plan.

Claims in Classes 4A, 4B and 7 and Equity Interests in Class 10 are Impaired under the Plan, and as a result, the Holders of Claims or Equity Interests in such Classes are entitled to vote on the Plan. Pursuant to section 1129 of the Bankruptcy Code, the Holders of Claims or Equity Interests in the Voting Classes must accept the Plan for the Plan to be confirmed without application of the "fair and equitable test" to such Classes, and without considering whether the Plan "discriminates unfairly" with respect to such Classes, as both standards are described herein. As stated above, Classes of Claims will have accepted the Plan if the Plan is accepted by at least two-thirds in amount and a majority in number of the Claims of each such Class (other than any Claims of creditors designated under section 1126(e) of the Bankruptcy Code) that have voted to accept or reject the Plan. Classes of Equity Interests will have accepted the if the Plan is accepted by at least two-thirds in amount of the Equity Interests of each such Class.

### 4. Confirmation Without Acceptance by All Impaired Classes

Section 1129(b) of the Bankruptcy Code allows a bankruptcy court to confirm a plan even if less than all impaired classes entitled to vote on the plan have accepted it, provided that the plan has been accepted by at least one impaired class of claims. Pursuant to section 1129(b) of the Bankruptcy Code, notwithstanding an impaired Class's rejection or deemed rejection of the Plan, the Plan will be confirmed, at the Debtors' request, in a procedure commonly known as "cram down," so long as the Plan does not "discriminate unfairly" and is "fair and equitable" with respect to each Class of Claims or Equity Interests that is impaired under, and has not accepted, the Plan.

### 5. No Unfair Discrimination

This test applies to classes of claims or equity interests that are of equal priority and are receiving different treatment under the Plan. The test does not require that the treatment be the same or equivalent, but that such treatment be "fair." In general, bankruptcy courts consider whether a plan discriminates unfairly in its treatment of classes of claims of equal rank (e.g., classes of the same legal character). Bankruptcy courts will take into account a number of factors in determining whether a plan discriminates unfairly, and, accordingly, a plan could treat two classes of unsecured creditors differently without unfairly discriminating against either class.

### 6. Fair and Equitable Test

This test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receive more than 100% of the amount of the allowed claims in such class. As to the dissenting class, the test sets different standards depending on the type of claims or equity interests in such class:

- Secured Claims. The condition that a plan be "fair and equitable" to a non-accepting class of secured claims includes the requirements that: (a) the holders of such secured claims retain the liens securing such claims to the extent of the allowed amount of the claims, whether the property subject to the liens is retained by the debtor or transferred to another entity under the plan; and (b) each holder of a secured claim in the class receives deferred Cash payments totaling at least the allowed amount of such claim with a present value, as of the effective date of the plan, at least equivalent to the value of the secured claimant's interest in the Debtors' property subject to the liens.

- Unsecured Claims. The condition that a plan be "fair and equitable" to a non-accepting class of unsecured claims includes the following requirement that either: (a) the plan provides that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or (b) the holder of any claim or any equity interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or junior equity interest any property.

- Equity Interests. The condition that a plan be "fair and equitable" to a non-accepting class of equity interests includes the requirements that either:

  - the plan provides that each holder of an equity interest in that class receives or retains under the plan on account of that equity interest property of a value, as of the effective date of the plan, equal to the greater of: (a) the allowed amount of any fixed liquidation preference to which such holder is entitled; (b) any fixed redemption price to which such holder is entitled; or (c) the value of such interest; or

  - if the class does not receive the amount required in the paragraph directly above, no class of equity interests junior to the non-accepting class may receive a distribution under the plan.

To the extent that any of the Voting Classes vote to reject the Plan, the Debtors reserve the right to seek (a) confirmation of the Plan under section 1129(b) of the Bankruptcy Code and/or (b) modify the Plan in accordance with Article XII of the Plan.

Notwithstanding the rejection of any Class that votes to reject the Plan, the Debtors do not believe that the Plan discriminates unfairly against any Impaired Class of Claims or Equity Interests. The Debtors believe that the Plan and the treatment of all Classes of Claims and Equity Interests under the Plan satisfy the foregoing requirements for non-consensual confirmation of the Plan.

## D. CONSUMMATION OF THE PLAN

The Plan will be consummated on the Effective Date. For a more detailed discussion of the conditions precedent to the consummation of the Plan and the impact of failure to meet such conditions, see Article IX.B of the Plan.

## VI.
## PLAN-RELATED RISK FACTORS

PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN, ALL HOLDERS OF CLAIMS AND EQUITY INTERESTS THAT ARE IMPAIRED SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH HEREIN, AS WELL AS ALL OTHER INFORMATION SET FORTH OR OTHERWISE REFERENCED IN THIS DISCLOSURE STATEMENT. ALTHOUGH THESE RISK FACTORS ARE MANY, THESE FACTORS SHOULD NOT BE REGARDED AS CONSTITUTING THE ONLY RISKS PRESENT IN CONNECTION WITH THE DEBTORS' BUSINESS OR THE PLAN AND ITS IMPLEMENTATION.

### A. CERTAIN BANKRUPTCY LAW CONSIDERATIONS

#### 1. Parties in interest may object to the Debtors' classification of Claims and Equity Interests.

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Debtors believe that the classification of Claims and Equity Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Debtors created Classes of Claims and Equity Interests, each encompassing Claims or Equity Interests, as applicable, that are substantially similar to the other Claims and Equity Interests in each such Class. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

#### 2. The Debtors may fail to satisfy the vote requirement.

If votes are received in number and amount sufficient to enable the Bankruptcy Court to confirm the Plan, the Debtors intend to seek, as promptly as practicable thereafter, confirmation of the Plan. In the event that sufficient votes are not received, the Debtors may seek to accomplish an alternative chapter 11 plan. There can be no assurance that the terms of any such alternative chapter 11 plan would be similar or as favorable to the Holders of Allowed Claims or Equity Interests as those proposed in the Plan.

#### 3. The Debtors may not be able to secure confirmation of the Plan.

Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation of a chapter 11 plan, and requires, among other things, findings by the bankruptcy court that: (a) such plan "does not unfairly discriminate" and is "fair and equitable" with respect to any non-accepting classes; (b) confirmation of such plan is not likely to be followed by a liquidation or a need for further financial reorganization unless such liquidation or reorganization is contemplated by the plan; and (c) the value of distributions to non-accepting Holders of Claims within a particular class under such plan will not be less than the value of distributions such holders would receive if the debtor was liquidated under chapter 7 of the Bankruptcy Code.

There can be no assurance that the requisite acceptances to confirm the Plan will be received. Even if the requisite acceptances are received, there can be no assurance that the Bankruptcy Court will confirm the Plan. A non-accepting Holder of an Allowed Claim or Equity Interest might challenge either the adequacy of this Disclosure Statement or whether the balloting procedures and voting results satisfy the requirements of the Bankruptcy Code or Bankruptcy Rules. Even if the Bankruptcy Court determined that the Disclosure Statement, the balloting procedures and voting results were appropriate, the Bankruptcy Court could still decline to confirm the Plan if it found that any of the statutory requirements for confirmation had not been met, including the requirement that the terms of the Plan do not "unfairly discriminate" and are "fair and equitable" to non-accepting Classes, or the Plan contains other terms disapproved of by the Bankruptcy Court.

Confirmation of the Plan is also subject to certain conditions as described in Article IX of the Plan. If the Plan is not confirmed, it is unclear what distributions, if any, Holders of Allowed Claims or Equity Interests would receive with respect to their Allowed Claims or Equity Interests.

The Debtors, subject to the terms and conditions of the Plan, reserve the right to modify the terms and conditions of the Plan as necessary for confirmation. Any such modifications could result in less favorable treatment of any non-accepting Class, as well as any Classes junior to such non-accepting Class, than the treatment currently provided in the Plan. Such less favorable treatment could include a distribution of property to the Class affected by the modification of a lesser value than currently provided in the Plan or no distribution of property whatsoever under the Plan. Section 1127 of the Bankruptcy permits the Debtors to modify the Plan at any time before confirmation, but not if such modified Plan fails to meet the requirements for confirmation. The Debtors or the Reorganized Debtors may modify the Plan at any time after confirmation of the Plan and before substantial consummation of the Plan if circumstances warrant such modification and this Court, after notice and a hearing, confirms the Plan as modified, but not if such modified Plan fails to meet the requirements for confirmation. The Debtors will comply with the disclosure and solicitation requirements set forth in Section 1125 of the Bankruptcy Code with respect to the modified Plan. Any Holder of a Claim or Equity Interest that has accepted or rejected the Plan is deemed to have accepted or rejected, as the case may be, the Plan as modified, unless, within the time fixed by this Court, such Holder changes their previous acceptance or rejection.

**4. Non-consensual confirmation of the Plan may be necessary.**

In the event that any impaired class of claims or equity interests does not accept a chapter 11 plan, a bankruptcy court may nevertheless confirm such a plan at the proponents' request if at least one impaired class has accepted the plan (with such acceptance being determined without including the vote of any "insider" in such class), and, as to each impaired class that has not accepted the plan, the bankruptcy court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting impaired classes. The Debtors believe that the Plan satisfies these requirements and the Debtors may request such non-consensual confirmation in accordance with subsection 1129(b) of the Bankruptcy Code. Nevertheless, in the event that a Voting Class does not accept the Plan, there can be no assurance that the Bankruptcy Court will reach this conclusion.

**5. The Debtors may object to the amount or classification of a Claim or Equity Interest.**

Except as otherwise provided in the Plan, the Debtors and Reorganized Debtors reserve the right to object to the amount or classification of any Claim or Equity Interest under the Plan. The estimates set forth in this Disclosure Statement cannot be relied on by any Holder of a Claim or Equity Interest where such Claim or Equity Interest is or may become subject to an objection, counterclaim or other suit by the Debtors. Any Holder of a Claim or Equity Interest that is or may become subject to an objection thus may not receive its expected share of the estimated distributions described in this Disclosure Statement.

**6. There exists a risk of not obtaining the Rights Offering Amount.**

The Plan is predicated on, among other things, Accuride's receipt of the Rights Offering Amount. Notwithstanding the Backstop Commitment Agreement, because the Rights Offering has not been completed, there can be no assurance that the Debtors will receive any or all of the Rights Offering Amount.

**7. The Effective Date may not occur.**

Although the Debtors believe that the Effective Date may occur quickly after the Confirmation Date, there can be no assurance as to such timing, or as to whether the Effective Date will, in fact, occur.

**8. Contingencies will not affect validity of votes of Impaired Classes to accept or reject the Plan.**

The distributions available to Holders of Allowed Claims and Equity Interests under the Plan can be affected by a variety of contingencies. The occurrence of any and all such contingencies, which could affect distributions available to Holders of Allowed Claims and Equity Interests under the Plan, will not affect the validity of the vote taken by the Voting Classes to accept or reject the Plan or require any sort of revote by the Impaired Classes.

### 9. The Debtors may default under the DIP Facility.

The Debtors' DIP Facility contains numerous covenants and events of default. If the Debtors fail to comply with the covenants, or are otherwise in default of the DIP Credit Agreement, the DIP Lenders have the right to accelerate the total amount due under the DIP Facility and require the immediate payment in full in cash of such amounts. Following such a demand, if the Debtors were unable to obtain emergency relief from the Bankruptcy Court, the DIP Lenders and the Prepetition Lenders would have the right, subject to the terms of the DIP Orders, to foreclose upon the assets of the Debtors.

## B. RISK FACTORS THAT MAY AFFECT THE VALUE OF SECURITIES TO BE ISSUED UNDER THE PLAN AND/OR RECOVERIES UNDER THE PLAN

### 1. The valuation of the Reorganized Debtors may not be adopted by the Bankruptcy Court.

The approximate midpoint equity value of the Reorganized Debtors (after taking into account the Rights Offering) set forth in the valuation included as Exhibit E to this Disclosure Statement is $533 million. Parties in interest in the Chapter 11 Cases may oppose confirmation of the Plan by alleging that the midpoint equity value of the Reorganized Debtors is higher than such amount and that the Plan thereby improperly limits or extinguishes their rights to recoveries under the Plan. At the Confirmation Hearing, the Bankruptcy Court will hear evidence regarding the views of the Debtors and opposing parties, if any, with respect to the valuation of the Reorganized Debtors. Based on that evidence, the Bankruptcy Court will determine the appropriate valuation for the Reorganized Debtors for purposes of the Plan.

### 2. There may be a lack of a trading market for the New Common Stock or the New Notes.

The New Common Stock issued to the Holders of Allowed Subordinated Notes Claims and Allowed Accuride Other Equity Interests will be freely transferable upon issuance. Reorganized Accuride has committed to register the New Notes and the New Common Stock issuable upon conversion of the New Notes under the Securities Act to the extent the holders of these securities enter into the Registration Agreement with Reorganized Accuride on the Effective Date. Reorganized Accuride has also committed to use its best efforts to list the New Common Stock on a national securities exchange. There can be no assurance, however, that any market will develop or as to the liquidity of any market that may develop for any such securities.

### 3. To service the Reorganized Debtors' indebtedness and to meet their operational needs, the Reorganized Debtors will require a significant amount of cash. Their ability to generate cash depends on many factors beyond their control.

The Reorganized Debtors' ability to make payments on and to refinance their indebtedness and to fund planned capital expenditures and research and development efforts will depend on their ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory, and other factors that are beyond their control.

The Reorganized Debtors' businesses may not generate sufficient Cash flow from operations. Although the Financial Projections represent management's view based on current known facts and assumptions about the future operations of the Reorganized Debtors, there is no guarantee that the Financial Projections will be realized. The Reorganized Debtors may not be able to meet their projected financial results or achieve projected revenues and Cash flows assumed in projecting future business prospects. To the extent the Reorganized Debtors do not meet their projected financial results or achieve projected revenues and Cash flows, The Reorganized Debtors may lack sufficient liquidity to continue operating as planned after the Effective Date, may be unable to service their debt obligations as they come due or may not be able to meet its operational needs. A failure of the Reorganized Debtors to meet their projected financial results or achieve projected revenues and Cash flows could lead to Cash flow and working capital constraints, which constraints may require the Reorganized Debtors to seek additional working capital. The Reorganized Debtors may not be able to obtain such working capital when it is required.

In addition, if the Reorganized Debtors' cash flows and capital resources are insufficient to fund their debt service obligations, they may be forced to reduce or delay capital expenditures, sell material assets or operations, obtain additional equity capital or refinance all or a portion of their indebtedness. In the absence of such operating results and resources, the Reorganized Debtors could face substantial cash flow problems and might be required to sell material assets or operations to meet their debt service and other obligations. The Reorganized Debtors will be unable to predict the timing of such asset sales or the proceeds which they could realize from such sales and that they will be able to refinance any of their indebtedness, including the Restructured Credit Facility and the New Notes, on commercially reasonable terms or at all.

**4. The estimated valuation of the Reorganized Debtors and the New Common Stock and the estimated recoveries to Holders of Allowed Claims and Equity Interests are not intended to represent the private or public sale values of the New Common Stock.**

The Debtors' estimated recoveries to Holders of Allowed Claims and Equity Interests are not intended to represent the private or public sale values of Reorganized Accuride's securities. The estimated recoveries are based on numerous assumptions (the realization of many of which is beyond the control of the Reorganized Debtors), including, without limitation: (a) the successful reorganization of the Debtors; (b) an assumed date for the occurrence of the Effective Date; (c) the Debtors' ability to achieve the operating and financial results included in the Financial Projections; and (d) the Debtors' ability to maintain adequate liquidity to fund operations.

**5. The holders of the Subordinated Notes will control Reorganized Accuride.**

Consummation of the Plan will result in a small number of holders owning a significant percentage of the shares of outstanding New Common Stock, with the holders of the Subordinated Notes holding a controlling percentage of the New Common Stock. These holders will, among other things, exercise a controlling influence over the business and affairs of Reorganized Accuride and the Reorganized Debtors.

**6. The issuance of Equity Interests to Accuride's management may dilute the equity ownership interest of other holders of the New Common Stock.**

It is anticipated that the New Board will adopt an Equity Incentive Program for directors and management, consisting of issuances from time to time of shares of the New Common Stock of Accuride, including the grant of incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended. If the New Board distributes equity interests, or options to acquire such equity interests, to directors, management or employees, it is contemplated that such distributions will dilute the New Common Stock issued on account of Claims and Equity Interests under the Plan and the ownership percentage represented by the New Common Stock distributed under the Plan.

**7. It is unlikely that Accuride will pay dividends in the foreseeable future.**

All of Reorganized Accuride's cash flow will be required to be used in the foreseeable future (a) to make payments under the Restructured Credit Facility, (b) to fund Reorganized Accuride's other obligations under the Plan, and (c) for working capital and capital expenditure purposes. In addition, the New Indenture will contain certain restrictions on Reorganized Accuride's ability to pay dividends. Accordingly, Reorganized Accuride does not anticipate paying cash dividends on the New Common Stock in the foreseeable future.

## C. RISK FACTORS THAT COULD NEGATIVELY IMPACT THE DEBTORS' BUSINESS

**1. Ongoing turmoil in the credit markets and the financial services industry could hinder the Debtors' ability to access capital in the future, even if the Plan is successful.**

The credit markets and the financial services industry continue to experience a period of significant disruption characterized by the bankruptcy, failure, collapse or sale of various financial institutions, increased volatility in securities prices, severely diminished liquidity and credit availability and a significant level of intervention from the United States and other governments. Continued concerns about the systemic impact of

potential long-term or widespread recession, energy costs, geopolitical issues, the availability and cost of credit, the global commercial and residential real estate markets and related mortgage markets and reduced consumer confidence have contributed to increased market volatility and diminished expectations for most developed and emerging economies. As a result of these market conditions, the cost and availability of credit has been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Even if the Plan is successful, continued turbulence in the United States and international markets and economies could restrict the Reorganized Debtors' ability to refinance their existing indebtedness, increase costs of borrowing, limit access to capital necessary to meet liquidity needs and materially harm the Reorganized Debtors' operations or their ability to implement their business strategy in the future.

The commercial vehicle supply industry in which the Debtors' operate has traditionally been highly competitive and cyclical, and, as a result, has experienced significant downturns in connection with, or in anticipation of, declines in general economic conditions. Additionally, higher energy costs may negatively impact customer demand for the Debtors' products. The current economic conditions have resulted in a severe downturn in the vehicle supply industry resulting in a significant decline in the Debtors' sales volume. Any continued reduction in consumer and commercial spending may drive the Debtors' and the Debtors' competitors to reduce product pricing, which would have a negative impact on gross profit. Moreover, reduced revenues as a result of a softening of the economy may also reduce the Debtors' working capital and interfere with the Debtors' short term and long term strategies.

In addition, the ongoing global financial and economic crisis could impact the Debtors' business in a number of other ways, including:

- uncertainty about current and future economic conditions may cause the Debtors' customers and consumers in general to defer purchases; and

- the inability of customers to obtain sufficient credit to finance purchases of the Debtors' products and meet their payment obligations to the Debtors' could have a material adverse effect on the Debtors' business, financial condition or results of operation.

In light of existing economic conditions, certain of the Debtors' customers may need us to extend additional credit commitments and a continuation of the current credit crisis could require the Debtors to make difficult decisions between increasing the Debtors' level of customer financing or potentially losing sales to these customers.

The Debtors currently maintain trade credit with certain of the Debtors' key suppliers and utilize such credit to purchase significant amounts of raw materials and other supplies with payment terms. As conditions in the commercial vehicle supply industry have become less favorable, key suppliers have been seeking to shorten trade credit terms or to require cash in advance for payment. If a significant number of the Debtors' key suppliers were to shorten or eliminate the Debtors' trade credit, the Debtors' inability to finance large purchases of the Debtors' key supplies and raw materials would increase the Debtors' costs and negatively impact the Debtors' liquidity and cash flow.

Furthermore, although the Debtors do not expect to need additional financing, if circumstances change, the tightening credit markets may make it difficult for the Debtors to obtain additional financing on favorable terms, or at all. In addition, if the current pressures on credit continue or worsen, the Debtors may not be able to refinance, if necessary, on the Debtors' outstanding debt when due, which could have a material adverse effect on the Debtors' business, results of operations or financial condition.

If as a result of the risks outlined above, the Debtors' operating results falter and the Debtors' cash flow or capital resources prove inadequate, or if interest rates increase significantly, the Debtors could face liquidity problems that could have a material adverse effect on the Debtors' business, financial condition or results of operations.

2. **The Debtors rely on, and make significant operational decisions based in part upon, industry data and forecasts primarily contained in industry forecast publications which may prove to be inaccurate.**

The Debtors continue to operate in a challenging economic environment and the Debtors' ability to maintain liquidity and comply with the Debtors' debt covenants may be affected by economic or other conditions that are beyond the Debtors' control and which are difficult to predict. The October 9, 2009 production forecasts by ACT Publications for the significant commercial vehicle markets that the Debtors serve, are as follows:

| | |
|---|---|
| North American Class 8 | **115,209** |
| North American Classes 5-7 | **93,124** |
| U.S. Trailers | **75,880** |

Based on the these production builds, the Debtors expect to comply with the Debtors' debt covenants and believe that the Debtors' liquidity will be sufficient to fund currently anticipated working capital, capital expenditures, and debt service requirements for at least the next twelve months. However, if the Debtors' net sales are significantly less than expected, given the volatility and the calendarization of the production builds as well as the other markets that the Debtors serve, or due to the challenging credit markets, the Debtors could violate the Debtors' debt covenants or have insufficient liquidity. In the event of noncompliance, the Debtors would pursue an amendment or waiver. However, no assurances can be given that those forecasts will be accurate.

3. **If deterioration of the economy continues, this could cause additional financial and operational declines, which could lead to unanticipated reductions in the Debtors' earnings and could result in future goodwill impairments.**

During the first 9 months of 2009, the Debtors recorded goodwill and other intangible asset impairment charges of $0.00 and during fiscal 2008, the Debtors recorded goodwill and other intangible asset impairment charges of $277.0 million. Factors the Debtors consider important that could trigger a subsequent impairment review include significant underperformance relative to historical or projected future operating results, significant changes in the manner of the use of the Debtors' assets or the strategy for the Debtors' overall business and significant negative industry or economic trends. If current economic conditions worsen causing decreased revenues and/or increased costs, the Debtors may have further material goodwill impairments.

4. **The Debtors are dependent on sales to a small number of the Debtors' major customers and on the Debtors' status as standard supplier on certain truck platforms of each of the Debtors' major customers.**

Sales, including aftermarket sales, to Navistar, PACCAR, Daimler Truck North America, and Volvo/Mack constituted approximately 17.7%, 16.2%, 13.8%, and 6.9%, respectively, of the Debtors' first 9 months of 2009 net sales. No other customer accounted for more than 5% of the Debtors' net sales for this period. The loss of any significant portion of sales to any of the Debtors' major customers would likely have a material adverse effect on the Debtors' business, results of operations, or financial condition.

The Debtors are a standard supplier of various components at a majority of the Debtors' major customers, which results in recurring revenue as the Debtors' standard components are installed on most trucks ordered from that platform, unless the end user specifically requests a different product, generally at an additional charge. The selection of one of the Debtors' products as a standard component may also create a steady demand for that product in the aftermarket. The Debtors may not maintain the Debtors' current standard supplier positions in the future, and may not become the standard supplier for additional truck platforms. The loss of a significant standard supplier position or a significant number of standard supplier positions with a major customer could have a material adverse effect on the Debtors' business, results of operations, or financial condition.

The Debtors are continuing to engage in efforts intended to improve and expand the Debtors' relations with each of PACCAR, Daimler Truck North America, Navistar, and Volvo/Mack. Accordingly, on October 9, 2009, the Court approved the Debtors' motion to maintain and administer customer programs and honor their prepetition obligations arising under those customer programs [Docket No. 44]. The Debtors have supported the Debtors' position with these customers through direct and active contact with end users, trucking fleets, and dealers, and have located certain of the Debtors' marketing personnel in offices near these customers and most of the Debtors' other major customers. The Debtors may not be able to successfully maintain or improve the Debtors' customer relationships so that these customers will continue to do business with the Debtors' as they have in the past or be able to supply these customers or any of the Debtors' other customers at current levels. The loss of a significant portion of the Debtors' sales to Daimler Truck North America, PACCAR, Navistar, or Volvo/Mack could have a material adverse effect on the Debtors' business, results of operations or financial condition. In addition, the delay or cancellation of material orders from, or problems at, PACCAR, Daimler Truck North America, Navistar, or Volvo/Mack, or any of the Debtors' other major customers could have a material adverse effect on the Debtors' business, results of operations, or financial condition.

**5. Increased cost or reduced supply of raw materials and purchased components may adversely affect the Debtors' business, results of operations or financial condition.**

The Debtors' business is subject to the risk of price increases and fluctuations and periodic delays in the delivery of raw materials and purchased components that are beyond the Debtors' control. The Debtors' operations require substantial amounts of raw steel, aluminum, steel scrap, pig iron, electricity, coke, natural gas, sheet and formed steel, bearings, purchased components, fasteners, foam, fabrics, silicon sand, binders, sand additives, coated sand, and tube steel. Fluctuations in the price or delivery of these materials may be driven by the supply/demand relationship for material, factors particular to that material or governmental regulation for raw materials such as electricity and natural gas. In addition, if any of the Debtors' suppliers seeks bankruptcy relief or otherwise cannot continue its business as anticipated or the Debtors cannot renew the Debtors' supply contracts on favorable terms, the availability or price of raw materials could be adversely affected. Fluctuations in prices and/or availability of the raw materials or purchased components used by the Debtors, which at times may be more pronounced during periods of higher truck builds, may affect the Debtors' profitability and, as a result, have a material adverse effect on the Debtors' business, results of operations, or financial condition. In addition, as described above, a shortening or elimination of the Debtors' trade credit by the Debtors' suppliers may affect the Debtors' liquidity and cash flow and, as a result, have a material adverse effect on the Debtors' business, results of operations, or financial condition.

The Debtors use substantial amounts of raw steel and aluminum in the Debtors' production processes. Although raw steel is generally available from a number of sources, the Debtors' have obtained favorable sourcing by negotiating and entering into high-volume contracts with third parties with terms ranging from one to two years. The Debtors' obtain raw steel and aluminum from various third-party suppliers. The Debtors may not be successful in renewing the Debtors supply contracts on favorable terms or at all. A substantial interruption in the supply of raw steel or aluminum or inability to obtain a supply of raw steel or aluminum on commercially desirable terms could have a material adverse effect on the Debtors' business, results of operations or financial condition. The Debtors are not always able, and may not be able in the future, to pass on increases in the price of raw steel or aluminum to o the Debtors' customers. In particular, when raw material prices increase rapidly or to significantly higher than normal levels, the Debtors may not be able to pass price increases through to the Debtors' customers on a timely basis, if at all, which could adversely affect the Debtors' operating margins and cash flow. Any fluctuations in the price or availability of raw steel or aluminum may have a material adverse effect on the Debtors' business, results of operations or financial condition.

Steel scrap and pig iron are also major raw materials used in the Debtors' business to produce the Debtors' wheel-end and industrial components. Steel scrap is derived from, among other sources, junked automobiles, industrial scrap, railroad cars, agricultural and heavy machinery, and demolition steel scrap from obsolete structures, containers and machines. Pig iron is a low-grade cast iron that is a product of smelting iron ore with coke and limestone in a blast furnace. The availability and price of steel scrap and pig iron are subject to market forces largely beyond the Debtors' control, including North American and international demand for steel scrap and pig iron, freight costs, speculation and foreign exchange rates. Steel scrap and pig iron availability and price may also be subject to governmental regulation. Accordingly, the Debtors at times offer their products on a fixed price basis based on forward purchase contracts, which enable the Debtors to control the risk of raw material price fluctuations.

Under a forward purchase contract, the counterparty agrees to supply the Debtors with a fixed quantity of a commodity per month, for a fixed price per month, and for a fixed number of months into the future. Certain major customers of the Debtors require that the Debtors enter into forward purchase contracts for steel so that the customers can enjoy a stable price for the Debtors' products. In the absence of forward purchase contracts, the Debtors are not always able, and may not be able in the future, to pass on increases in the price of steel scrap and pig iron to the Debtors' customers. In particular, when raw material prices increase rapidly or to significantly higher than normal levels, the Debtors may not be able to pass price increases through to the Debtors' customers on a timely basis, if at all, which could have a material adverse effect on the Debtors' operating margins and cash flow. Any fluctuations in the price or availability of steel scrap or pig iron may have a material adverse effect on the Debtors' business, results of operations or financial condition.

**6. The Debtors' business is affected by the seasonality and regulatory nature of the industries and markets that the Debtors serve.**

The Debtors' operations are typically seasonal as a result of regular customer maintenance and model changeover shutdowns, which typically occur in the third and fourth quarter of each calendar year. This seasonality may result in decreased net sales and profitability during the third and fourth fiscal quarters. In addition, federal and state regulations (including engine emissions regulations, tariffs, import regulations and other taxes) may have a material adverse effect on the Debtors' business and are beyond the Debtors' control. For example, The North American truck industry experienced a significant decline in 2007 due to more stringent emissions standards that became effective in 2007.

**7. Cost reduction and quality improvement initiatives by OEMs could have a material adverse effect on the Debtors' business, results of operations or financial condition.**

The Debtors are primarily a components supplier to the heavy- and medium-duty truck industries, which are characterized by a small number of OEMs that are able to exert considerable pressure on components suppliers to reduce costs, improve quality and provide additional design and engineering capabilities. Given the fragmented nature of the industry, OEMs continue to demand and receive price reductions and measurable increases in quality through their use of competitive selection processes, rating programs, and various other arrangements. The Debtors may be unable to generate sufficient production cost savings in the future to offset such price reductions. OEMs may also seek to save costs by relocating production to countries with lower cost structures, which could in turn lead them to purchase components from local suppliers with lower production costs. Additionally, OEMs have generally required component suppliers to provide more design engineering input at earlier stages of the product development process, the costs of which have, in some cases, been absorbed by the suppliers. Future price reductions, increased quality standards and additional engineering capabilities required by OEMs may reduce the Debtors' profitability and have a material adverse effect on the Debtors' business, results of operations, or financial condition.

**8. The Debtors operate in highly competitive markets.**

The markets in which the Debtors operate are highly competitive. The Debtors compete with a number of other manufacturers and distributors that produce and sell similar products. The Debtors' products primarily compete on the basis of price, manufacturing and distribution capability, product design, product quality, product delivery and product service. Some of the Debtors' competitors are companies, or divisions, units or subsidiaries of companies that are larger and have greater financial and other resources than the Debtors do. For these reasons, the Debtors' products may not be able to compete successfully with the products of the Debtors' competitors. In addition, the Debtors' competitors may foresee the course of market development more accurately than the Debtors do, develop products that are superior to the Debtors' products, have the ability to produce similar products at a lower cost than the Debtors can, or adapt more quickly than the Debtors do to new technologies or evolving regulatory, industry, or customer requirements. As a result, the Debtors' products may not be able to compete successfully with their products. In addition, OEMs may expand their internal production of components, shift sourcing to other suppliers, or take other actions that could reduce the market for the Debtors' products and have a negative impact on the Debtors' business. The Debtors may encounter increased competition in the future from existing competitors or new competitors. The Debtors expect these competitive pressures in the Debtors' markets to remain strong.

In addition, potential competition from foreign truck components suppliers, especially in the aftermarket, may lead to an increase in truck components imports into North America, adversely affecting the Debtors' market share and negatively affecting the Debtors' ability to compete. Foreign truck components suppliers may in the future increase their currently modest share of the markets for truck components in which the Debtors compete. Some of these foreign suppliers may be owned, controlled or subsidized by their governments, and their decisions with respect to production, sales and exports may be influenced more by political and economic policy considerations than by prevailing market conditions. In addition, foreign truck components suppliers may be subject to less restrictive regulatory and environmental regimes that could provide them with a cost advantage relative to North American suppliers. Therefore, there is a risk that some foreign suppliers may increase their sales of truck components in North American markets despite decreasing profit margins or losses. If future trade cases do not provide relief from such potential trade practices, U.S. protective trade laws are weakened or international demand for trucks and/or truck components decreases, an increase of truck component imports into the United States may occur, which could have a material adverse effect on the Debtors' business, results of operations, or financial condition.

**9. The Debtors face exposure to foreign business and operational risks including foreign exchange rate fluctuations and if the Debtors were to experience a substantial fluctuation, the Debtors' profitability may change.**

In the normal course of doing business, the Debtors are exposed to risks associated with changes in foreign exchange rates, particularly with respect to the Canadian dollar. From time to time, the Debtors use forward foreign exchange contracts, and other derivative instruments, to help offset the impact of the variability in exchange rates on the Debtors' operations, cash flows, assets and liabilities. At October 31, 2009, the notional amount of open foreign exchange forward contracts was $4.0 million Canadian. Factors that could further impact the risks associated with changes in foreign exchange rates include the accuracy of the Debtors' sales estimates, volatility of currency markets and the cost and availability of derivative instruments. In addition, changes in the laws or governmental policies in the countries in which the Debtors operate could affect the Debtors' business in such countries and the Debtors' results of operations.

**10. The Debtors may not be able to continue to meet the Debtors' customers' demands for the Debtors' products and services.**

The Debtors must continue to meet the Debtors' customers' demand for the Debtors' products and services. However, the Debtors may not be successful in doing so. If the Debtors' customers' demand for the Debtors' products and/or services exceeds the Debtors' ability to meet that demand, the Debtors may be unable to continue to provide the Debtors' customers with the products and/or services they require to meet their business needs. Factors that could result in the Debtors' inability to meet customer demands include an unforeseen spike in demand for the Debtors' products and/or services, a failure by one or more of the Debtors' suppliers to supply us with the raw materials and other resources that the Debtors need to operate the Debtors' business effectively or poor management of the Debtors' company or one or more divisions or units of the Debtors' company, among other factors. The Debtors' ability to provide the Debtors' customers with products and services in a reliable and timely manner, in the quantity and quality desired and with a high level of customer service, may be severely diminished as a result. If this happens, the Debtors may lose some or all of the Debtors' customers to one or more of the Debtors' competitors, which would have a material adverse effect on the Debtors' business, results of operations, or financial condition.

In addition, it is important that the Debtors continue to meet the Debtors' customers' demands in the truck components industry for product innovation, improvement and enhancement, including the continued development of new-generation products, design improvements and innovations that improve the quality and efficiency of the Debtors' products. Developing product innovations for the truck components industry has been and will continue to be a significant part of the Debtors' strategy. However, such development will require us to continue to invest in research and development and sales and marketing. In the future, the Debtors may not have sufficient resources to make such necessary investments, or the Debtors may be unable to make the technological advances necessary to carry out product innovations sufficient to meet the Debtors' customers' demands. The Debtors are also subject to the risks generally associated with product development, including lack of market acceptance, delays in product development and failure of products to operate properly. The Debtors may, as a result of these factors, be unable to

meaningfully focus on product innovation as a strategy and may therefore be unable to meet the Debtors' customers' demand for product innovation.

**11. Equipment failures, delays in deliveries or catastrophic loss at any of the Debtors' facilities could lead to production or service curtailments or shutdowns.**

The Debtors manufacture the Debtors' products at 19 facilities and provide logistical services at the Debtors' just-in-time sequencing facilities in the United States. An interruption in production or service capabilities at any of these facilities as a result of equipment failure or other reasons could result in the Debtors' inability to produce the Debtors' products, which would reduce the Debtors' net sales and earnings for the affected period. In the event of a stoppage in production at any of the Debtors' facilities, even if only temporary, or if the Debtors experience delays as a result of events that are beyond the Debtors' control, delivery times to the Debtors' customers could be severely affected. Any significant delay in deliveries to the Debtors' customers could lead to increased returns or cancellations and cause us to lose future sales. The Debtors' facilities are also subject to the risk of catastrophic loss due to unanticipated events such as fires, explosions, violent weather conditions, acts of war, terrorism, or criminal activities. The Debtors may experience plant shutdowns or periods of reduced production as a result of equipment failure, delays in deliveries or catastrophic loss, which could have a material adverse effect on the Debtors' business, results of operations or financial condition.

**12. The Debtors may incur potential product liability, warranty and product recall costs.**

The Debtors are subject to the risk of exposure to product liability, warranty and product recall claims in the event any of the Debtors' products results in property damage, personal injury or death, or does not conform to specifications. The Debtors may not be able to continue to maintain suitable and adequate insurance in excess of the Debtors' self-insured amounts on acceptable terms that will provide adequate protection against potential liabilities. In addition, if any of the Debtors' products proves to be defective, the Debtors may be required to participate in a recall involving such products. A successful claim brought against the Debtors in excess of available insurance coverage, if any, or a requirement to participate in any product recall, could have a material adverse effect on the Debtors' business, results of operations or financial condition

**13. Work stoppages or other labor issues at the Debtors' facilities or at the Debtors' customers' facilities could have a material adverse effect on the Debtors' operations.**

As of December 31, 2008, unions represented approximately 49% of the Debtors' workforce. As a result, the Debtors are subject to the risk of work stoppages and other labor relations matters. Any prolonged strike or other work stoppage at any one of the Debtors' principal unionized facilities could have a material adverse effect on the Debtors' business, results of operations or financial condition. The Debtors have collective bargaining agreements with different unions at various facilities. These collective bargaining agreements expire at various times over the next few years, with the exception of the Debtors' union contract at the Debtors' Monterrey, Mexico facility, which expires on an annual basis. The 2009 negotiations in Monterrey were successfully completed prior to the expiration of the Debtors' union contract. In 2010, the Debtors have labor contracts expiring at the Debtors' facilities in Rockford, Illinois and Elkhart, Indiana (two separate bargaining units). Based on the consolidation of the Cuyahoga Falls operations into the Debtors' Erie plant, the Debtors will be ceasing operations performed by the collective bargaining unit at the Cuyahoga Falls facility and do not anticipate negotiating for a new contract at that location. Any failure by the Debtors to reach a new agreement upon expiration of other union contracts may have a material adverse effect on the Debtors' business, results of operations, or financial condition.

In addition, if any of the Debtors' customers experience a material work stoppage, that customer may halt or limit the purchase of the Debtors' products. This could cause us to shut down production facilities relating to these products, which could have a material adverse effect on the Debtors' business, results of operations or financial condition.

**14. The Debtors are subject to a number of environmental rules and regulations that may require us to make substantial expenditures.**

The Debtors' operations, facilities, and properties are subject to extensive and evolving laws and regulations pertaining to air emissions, wastewater discharges, the handling and disposal of solid and hazardous materials and wastes, the investigation and remediation of contamination, and otherwise relating to health, safety, and the protection of the environment and natural resources. As a result, the Debtors are involved from time to time in administrative or legal proceedings relating to environmental, health and safety matters, and have in the past incurred and will continue to incur capital costs and other expenditures relating to such matters. In addition to environmental laws that regulate the Debtors' subsidiaries' ongoing operations, the Debtors' subsidiaries are also subject to environmental remediation liability. Under the federal Comprehensive Environmental Response, Compensation, and Liability Act ("**CERCLA**"), and analogous state laws, the Debtors' subsidiaries may be liable as a result of the release or threatened release of hazardous materials into the environment. The Debtors' subsidiaries are currently involved in several matters relating to the investigation and/or remediation of locations where they have arranged for the disposal of foundry and other wastes. Such matters include situations in which the Debtors have been named or are believed to be Potentially Responsible Parties as defined under CERCLA or state or local laws in connection with the contamination of these sites. Additionally, environmental remediation may be required to address soil and groundwater contamination identified at certain facilities.

As of December 31, 2008, the Debtors had an environmental reserve of approximately $1.5 million, related primarily to the Debtors' foundry operations. This reserve is based on current cost estimates and does not reduce estimated expenditures to net present value, but does take into account the benefit of a contractual indemnity given to us by a prior owner of the Debtors' wheel-end subsidiary. The failure of the indemnitor to fulfill its obligations could result in future costs that may be material. Any cash expenditures required by us or the Debtors' subsidiaries to comply with applicable environmental laws and/or to pay for any remediation efforts will not be reduced or otherwise affected by the existence of the environmental reserve. The Debtors' environmental reserve may not be adequate to cover the Debtors' future costs related to the sites associated with the environmental reserve, and any additional costs may have a material adverse effect on the Debtors' business, results of operations or financial condition. The discovery of additional sites, the modification of existing or the promulgation of new laws or regulations, more vigorous enforcement by regulators, the imposition of joint and several liability under CERCLA or analogous state laws, or other unanticipated events could result in a material adverse effect.

The final Iron and Steel Foundry NESHAP was developed pursuant to Section 112(d) of the Clean Air Act and requires all major sources of hazardous air pollutants to install controls representative of maximum achievable control technology. The Debtors believe that the Debtors' foundry operations are in compliance with the applicable requirements of the Iron and Steel Foundry NESHAP. However, the imposition of liability under Iron Steel Foundry NESHAP could result in a material adverse effect.

### 15. The Debtors might fail to adequately protect the Debtors' intellectual property, or third parties might assert that the Debtors' technologies infringe on their intellectual property.

The protection of the Debtors' intellectual property is important to the Debtors' business. The Debtors rely on a combination of trademarks, copyrights, patents, and trade secrets to provide protection in this regard, but this protection might be inadequate. For example, the Debtors' pending or future trademark, copyright, and patent applications might not be approved or, if allowed, they might not be of sufficient strength or scope. Conversely, third parties might assert that the Debtors' technologies or other intellectual property infringe on their proprietary rights. Any intellectual property related litigation, which could result in substantial costs and diversion of the Debtors' efforts and, whether or not the Debtors are ultimately successful, the litigation could have a material adverse effect on the Debtors' business, results of operations or financial condition. Litigation against us could be costly and time consuming to defend.

The Debtors are regularly subject to legal proceedings and claims that arise in the ordinary course of business, such as workers' compensation claims, OSHA investigations, employment disputes, unfair labor practice charges, customer and supplier disputes, and product liability claims arising out of the conduct of the Debtors' business. Litigation may result in substantial costs and may divert management's attention and resources from the operation of the Debtors' business, which could have a material adverse effect on the Debtors' business, results of operations or financial condition.

**16. If the Debtors fail to retain the Debtors' executive officers, the Debtors' business could be harmed.**

The Debtors' success largely depends on the efforts and abilities of the Debtors' executive officers. Their skills, experience and industry contacts significantly contribute to the success of the Debtors' business and the Debtors' results of operations. The loss of any one of them could have a material adverse effect on the Debtors' business, results of operations or financial condition. The Debtors' future success and profitability will also depend, in part, upon the Debtors' continuing ability to attract and retain highly qualified personnel throughout the Debtors' company.

In addition, William Lasky, the chairman and Chief Executive Officer of Accuride, is extremely valuable to the Debtors, not only for his day-to-day efforts, but also on account of his formidable experience in the industry. Because Mr. Lasky is an at-will employee, and does not currently have a severance plan or a non-compete agreement, the Debtors have decided in their business judgment to enter into a non-compete agreement with Mr. Lasky. If, however, the Bankruptcy Court, does not approve Mr. Lasky's non-compete agreement, Mr. Lasky would not be subject to any restrictions from competition with the Debtors and, should he choose to compete, could significantly harm the Debtors' business going forward.

**17. The Debtors' products may be rendered obsolete or less attractive by changes in regulatory, legislative or industry requirements.**

Changes in regulatory, legislative or industry requirements may render certain of the Debtors' products obsolete or less attractive. The Debtors' ability to anticipate changes in these requirements, especially changes in regulatory standards, will be a significant factor in the Debtors' ability to remain competitive. The Debtors may not be able to comply in the future with new regulatory, legislative and/or industrial standards that may be necessary for us to remain competitive or that certain of the Debtors' products will not, as a result, become obsolete or less attractive to the Debtors' customers.

**18. The Restructured Credit Facility and the New Indenture may subject Reorganized Accuride to a number of restrictive covenants, which may restrict its business and financing activities.**

The Restructured Credit Facility, the New Indenture and the terms of any future indebtedness may impose, operating and other restrictions on Reorganized Accuride. Such restrictions will affect, and in many respects limit or prohibit, among other things, Reorganized Accuride's ability to:

- incur additional debt;
- pay dividends and make distributions;
- issue stock of subsidiaries;
- make certain investments;
- repurchase stock;
- create liens;
- enter into affiliate transactions;
- enter into sale-leaseback transactions;
- merge or consolidate; and
- transfer and sell assets.

In addition, the Restructured Credit Facility may also require Reorganized Accuride on a consolidated basis to maintain compliance with specified certain minimum liquidity and EBITDA ratios. Reorganized Accuride's ability to comply with these ratios may be affected by events beyond its control.

If commercial vehicle production declines below industry forecasts or Reorganized Accuride is unable to achieve the projected results from its operations for whatever reason, Reorganized Accuride may be unable to comply with the restrictions contained in the Restructured Credit Facility and the New Indenture, and the lenders could:

- declare all borrowings outstanding, together with accrued and unpaid interest, to be immediately due and payable; or
- require Reorganized Accuride to apply all of its available cash to repay the borrowings.

If Reorganized Accuride were unable to repay or otherwise refinance these borrowings when due, the lenders under the Restructured Credit Facility could sell the collateral securing the Restructured Credit Facility, which constitutes substantially all of the Reorganized Debtors' assets.

**19. Reorganized Accuride's leverage and debt service obligations could have a material adverse effect on its financial condition or its ability to fulfill its obligations and make it more difficult for Reorganized Accuride to fund its operations.**

As of the Effective Date, Reorganized Accuride's total indebtedness will be approximately $450 million, after giving effect to the transactions contemplated in the Plan. Reorganized Accuride's substantial level of indebtedness could have important negative consequences to Reorganized Accuride, including that:

- Reorganized Accuride may have difficulty satisfying its obligations with respect to its indebtedness;
- Reorganized Accuride may have difficulty obtaining financing in the future for working capital, capital expenditures, acquisitions or other purposes;
- Reorganized Accuride will need to use a substantial portion of its available cash flow to pay interest and principal on its debt, which will reduce the amount of money available to finance its operations and other business activities;
- Reorganized Accuride's debt level increases its vulnerability to general economic downturns and adverse industry conditions;
- Reorganized Accuride's debt level could limit its flexibility in planning for, or reacting to, changes in their business and in its industry in general;
- Reorganized Accuride's leverage could place it at a competitive disadvantage compared to its competitors that have less debt;
- Reorganized Accuride's failure to comply with the financial and other restrictive covenants in its debt instruments which, among other things, require Reorganized Accuride to maintain certain minimum liquidity and EBITDA ratios and limit its ability to incur debt and sell assets, could result in an event of default that, if not cured or waived, could have a material adverse effect on its business or prospects; and
- Reorganized Accuride's debt level and debt service obligations could limit its flexibility in planning for, or reacting to, changes in its business and industry.

In addition, certain of Reorganized Accuride's borrowings will be at variable rates of interest, which expose Reorganized Accuride to the risk of increasing interest rates. If interest rates increase, Reorganized Accuride's debt service obligations on their variable rate indebtedness would increase even though the amount borrowed remains the same.

**20. Despite Reorganized Accuride's leverage, the Reorganized Debtors will be able to incur more indebtedness. This could further exacerbate the risk immediately described above, including Reorganized Accuride's ability to service its indebtedness.**

The Reorganized Debtors may be able to incur additional indebtedness in the future. Although the Restructured Credit Facility and the New Indenture will contain restrictions on the incurrence of additional indebtedness, such restrictions are subject to a number of qualifications and exceptions, and under certain circumstances indebtedness incurred in compliance with such restrictions could be substantial. For example, Reorganized Accuride may incur additional debt to, among other things, finance future acquisitions, expand through internal growth, fund working capital needs, comply with regulatory requirements, respond to competition or for general financial reasons alone. To the extent new debt is added to the Reorganized Debtors' debt levels, the risks described above would increase.

**21. Tax implications of the Plan.**

The federal income tax consequences of the Plan are complex and are subject to significant uncertainties. The Debtors currently do not intend to seek any ruling from the IRS on the tax consequences of the Plan. Even if the Debtors decide to request a ruling, there would be no assurance that the IRS would rule favorably or that any ruling would be issued before the Effective Date. In addition, in such case, there would still be issues with significant uncertainties, which would not be the subject of any ruling request. Thus, there can be no assurance that the IRS will not challenge the various positions the Debtors have taken, or intends to take, with respect to the tax treatment in the Plan, or that a court would not sustain such a challenge.

## D. RISKS ASSOCIATED WITH FORWARD LOOKING STATEMENTS

**1. The financial information contained herein is based on the Debtors' books and records and, unless otherwise stated, no audit was performed.**

**The financial information contained in this Disclosure Statement has not been audited.** In preparing this Disclosure Statement, the Debtors relied on financial data derived from its books and records that was available at the time of such preparation. Although the Debtors have used their reasonable business judgment to ensure the accuracy of the financial information provided in this Disclosure Statement, and while the Debtors believe that such financial information fairly reflects the financial condition of the Debtors, the Debtors are unable to warrant or represent that the financial information contained herein and attached hereto is without inaccuracies.

**2. Financial Projections and other forward looking statements are not assured, are subject to inherent uncertainty due to the numerous assumptions upon which they are based and, as a result, actual results may vary.**

This Disclosure Statement contains various projections concerning the financial results of the Reorganized Debtor's operations, including the Financial Projections, that are, by their nature, forward looking, and which projections are necessarily based on certain assumptions and estimates. Should any or all of these assumptions or estimates ultimately prove to be incorrect, the actual future experiences of the Reorganized Debtors may turn out to be different from the financial projections.

Specifically, the projected financial results contained in this Disclosure Statement reflect numerous assumptions concerning the anticipated future performance of the Reorganized Debtors, some of which may not materialize, including, without limitation, assumptions concerning: (a) the timing of confirmation and Consummation of the Plan in accordance with its terms; (b) the anticipated future performance of the Reorganized Debtors, including, without limitation, the Debtors' ability to maintain or increase revenue and gross margins, control future operating expenses or make necessary capital expenditures; (c) general business and economic conditions; (d) overall industry performance and trends; (e) the Debtors' ability to maintain market strength and receive vendor support by way of favorable purchasing terms; and (f) consumer preferences continuing to support the Debtors' business plan.

DUE TO THE INHERENT UNCERTAINTIES ASSOCIATED WITH PROJECTING FINANCIAL RESULTS GENERALLY, THE PROJECTIONS CONTAINED IN THIS DISCLOSURE STATEMENT SHOULD NOT BE CONSIDERED ASSURANCES OR GUARANTEES OF THE AMOUNT OF FUNDS OR THE AMOUNT OF CLAIMS THAT MAY BE ALLOWED IN THE VARIOUS CLASSES. WHILE THE DEBTORS BELIEVE THAT THE FINANCIAL PROJECTIONS CONTAINED IN THIS DISCLOSURE STATEMENT ARE REASONABLE, THERE CAN BE NO ASSURANCE THAT THEY WILL BE REALIZED.

## E. DISCLOSURE STATEMENT DISCLAIMER

**1. The information contained herein is for soliciting votes only.**

The information contained in this Disclosure Statement is for purposes of soliciting votes on the Plan and may not be relied upon for any other purposes.

**2. This Disclosure Statement was not approved by the Securities and Exchange Commission.**

This Disclosure Statement has not been filed with the Commission or any state regulatory authority. Neither the Commission nor any state regulatory authority has passed upon the accuracy or adequacy of this Disclosure Statement, or the exhibits or the statements contained herein, and any representation to the contrary is unlawful.

**3. The Debtors relied on certain exemptions from Registration Under the Securities Act.**

This Disclosure Statement has been prepared pursuant to section 1125 of the Bankruptcy Code and Rule 3016(b) of the Federal Rules of Bankruptcy Procedure and is not necessarily in accordance with the requirements of federal or state securities laws or other similar laws. The offer of New Common Stock to Holders of Claims in Class 7 and Equity Interests in Class 10 have not been registered under the Securities Act or similar state securities or "blue sky" laws. To the maximum extent permitted by section 1145 of the Bankruptcy Code, the Securities Act and other applicable nonbankruptcy law, the issuance of the New Common Stock, the New Warrants, the New Notes or any shares of New Common Stock reserved for issuance under the Equity Incentive Program, will be exempt from registration under the Securities Act by virtue of section 1145 of the Bankruptcy Code, section 4(2) of the Securities Act or Rule 701 promulgated under the Securities Act.

**4. This Disclosure Statement contains forward looking statements.**

This Disclosure Statement contains "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements consist of any statement other than a recitation of historical fact and can be identified by the use of forward looking terminology such as "may," "expect," "anticipate," "estimate" or "continue" or the negative thereof or other variations thereon or comparable terminology. The reader is cautioned that all forward looking statements are necessarily speculative and there are certain risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward looking statements. The liquidation analysis, distribution projections and other information contained herein and attached hereto are estimates only, and the timing and amount of actual distributions to Holders of Allowed Claims and Equity Interests may be affected by many factors that cannot be predicted. Therefore, any analyses, estimates or recovery projections may or may not turn out to be accurate.

**5. No legal or tax advice is provided to you by this Disclosure Statement.**

**This Disclosure Statement is not legal advice to you.** The contents of this Disclosure Statement should not be construed as legal, business or tax advice. Each Holder of a Claim or an Equity Interest should consult his or her own legal counsel and accountant with regard to any legal, tax and other matters concerning his or her Claim or Equity Interest. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to confirmation of the Plan.

**6. No admissions are made by this Disclosure Statement.**

The information and statements contained in this Disclosure Statement will neither (a) constitute an admission of any fact or liability by any Entity (including, without limitation, the Debtor) nor (b) be deemed evidence of the tax or other legal effects of the Plan on the Debtors, the Reorganized Debtors, Holders of Allowed Claims or Equity Interests or any other parties in interest.

**7. No reliance should be placed on any failure to identify litigation Claims or projected objections.**

No reliance should be placed on the fact that a particular litigation claim or projected objection to a particular Claim or Equity Interest is, or is not, identified in this Disclosure Statement. The Debtors or the Reorganized Debtors may seek to investigate, File and prosecute Claims and Equity Interests and may object to Claims after the confirmation Date or Effective Date of the Plan irrespective of whether the Disclosure Statement identifies such Claims or Equity Interests or objections to Claims or Equity Interests.

**8. Nothing herein constitutes a waiver of any right to object to Claims or Equity Interests or recover transfers and assets.**

The vote by a Holder of an Allowed Claim or Equity Interest for or against the Plan does not constitute a waiver or release of any Claims or rights of the Debtors or the Reorganized Debtors (or any party in interest, as the case may be) to object to that Holder's Allowed Claim or Equity Interest regardless of whether any Claims or Causes of Action of the Debtors or their Estate are specifically or generally identified herein.

**9. The information used herein was provided by the Debtors and was relied upon by the Debtors' advisors.**

Counsel to and other advisors retained by the Debtors have relied upon information provided by the Debtors in connection with the preparation of this Disclosure Statement. Although counsel to and other advisors retained by the Debtors have performed certain limited due diligence in connection with the preparation of this Disclosure Statement, they have not verified independently the information contained herein.

**10. The potential exists for inaccuracies, and the Debtors have no duty to update.**

The statements contained in this Disclosure Statement are made by the Debtors as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has not been a change in the information set forth herein since that date. While the Debtors have used its reasonable business judgment to ensure the accuracy of all of the information provided in this Disclosure Statement and in the Plan, the Debtors nonetheless cannot, and do not, confirm the current accuracy of all statements appearing in this Disclosure Statement. Further, although the Debtors may subsequently update the information in this Disclosure Statement, the Debtors have no affirmative duty to do so unless ordered to do so by the Bankruptcy Court.

**11. No representations made outside the Disclosure Statement are authorized.**

No representations concerning or relating to the Debtors, the Chapter 11 Cases or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. Any representations or inducements made to secure your acceptance or rejection of the Plan that are other than as contained in, or included with, this Disclosure Statement, should not be relied upon by you in arriving at your decision. You should promptly report unauthorized representations or inducements to the counsel to the Debtors, the counsel to the Committee and the United States Trustee.

## VII.
## ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

### A. LIQUIDATION UNDER CHAPTER 7 OF THE BANKRUPTCY CODE

If no chapter 11 plan can be confirmed, the Chapter 11 Cases may be converted to cases under chapter 7 of the Bankruptcy Code in which case, a trustee would be elected or appointed to liquidate the Debtors' assets. A discussion of the effect that a chapter 7 liquidation would have on the recovery of Holders of Claims and Equity Interests is set forth in Section V.C herein, titled "Statutory Requirements for Confirmation of the Plan." In performing the liquidation analysis, the Debtors have assumed that all Holders of Claims and Equity Interests will be determined to have "claims" that are entitled to share in the proceeds from any such liquidation. The Debtors believe that liquidation under chapter 7 would result in (i) smaller or equal distributions being made to creditors and equity interests holders than those provided for in the Plan because of the additional administrative expenses involved in the appointment of a trustee and attorneys and other professionals to assist such trustee, (ii) additional expenses and claims, some of which would be entitled to priority, which would be generated during the liquidation and from the rejection of unexpired leases and executory contracts in connection with the cessation of the Debtors' operations, and (iii) the failure to realize the greater, going-concern value of all of the Debtors' assets.

### B. FILING OF AN ALTERNATIVE PLAN OF REORGANIZATION

If the Plan is not confirmed, the Debtors or any other party in interest could attempt to formulate a different plan of reorganization. Such a plan might involve either a reorganization and continuation of the Debtors' business or an orderly liquidation of the Debtors' assets. During the negotiations prior to the filing of the Plan, the Debtors explored various alternatives to the Plan.

The Debtors believe that the Plan enables the Debtors to emerge from chapter 11 successfully and expeditiously, preserves its business and allows creditors to realize the highest recoveries under the circumstances. In a liquidation under chapter 11 of the Bankruptcy Code, the assets of the Debtors would be sold in an orderly fashion over a more extended period of time than in a liquidation under chapter 7, and a trustee need not be appointed. Accordingly, creditors would receive greater recoveries than in a chapter 7 liquidation. Although a chapter 11 liquidation is preferable to a chapter 7 liquidation, the Debtors believe that a liquidation under chapter 11 is a much less attractive alternative to creditors and interest holders than the Plan because the Plan provides for a greater return to creditors and interest holders.

Moreover, the prolonged continuation of the Chapter 11 Cases is likely to adversely affect the Debtors' business and operations. So long as the Chapter 11 Cases continues, senior management of the Debtors will be required to spend a significant amount of time and effort dealing with the Debtors' reorganization instead of focusing exclusively on business operations. Prolonged continuation of the Chapter 11 Cases will also make it more difficult to attract and retain management and other key personnel necessary to the success and growth of the Debtors' business. In addition, the longer the Chapter 11 Cases continue, the more likely it is that the Debtors' customers, suppliers, distributors, and agents will lose confidence in the Debtors' ability to reorganize their business successfully and will seek to establish alternative commercial relationships. Furthermore, so long as the Chapter 11 Cases continue, the Debtors will be required to incur substantial costs for professional fees and other expenses associated with the proceedings. The prolonged continuation of the Chapter 11 Cases may also require the Debtors to seek additional financing, either under the DIP Facility or otherwise, in order to service its debt and other obligations. It may not be possible for the Debtors to obtain additional financing during the pendency of the Chapter 11 Cases on commercially favorable terms or at all. If the Debtors were to require additional financing during the Chapter 11 Cases and were unable to obtain the financing on favorable terms or at all, it is unlikely the Debtors could successfully reorganize.

## VIII.
## EXEMPTIONS FROM SECURITIES ACT REGISTRATION

### SECTION 1145 OF THE BANKRUPTCY CODE AND SECTION 4(2) OF THE SECURITIES ACT

#### 1. Securities Issued in Reliance on Section 1145 of the Bankruptcy Code

Under the Plan, the New Common Stock will be issued to Holders of Subordinated Notes Claims and Holders of Accuride Other Equity Interests (other than any equity to be issued pursuant to the Equity Incentive Program) and the New Warrants will be issued to Holders of Accuride Other Equity Interests in reliance upon section 1145 of the Bankruptcy Code. The New Common Stock issuable upon the exercise of the New Warrants will also be securities exempted from registration under the Securities Act in reliance upon section 1145 of the Bankruptcy Code. The New Common Stock and the New Warrants described in the proceeding sentences are collectively referred to herein as the "**1145 Securities**". Section 1145 of the Bankruptcy Code provides that the securities registration requirements of federal and state securities laws do not apply to the offer or sale of stock, warrants or other securities by a debtor if: (a) the offer or sale occurs under a plan of reorganization; (b) the recipients of securities hold a claim against, an interest in or claim for administrative expense against the debtor; and (c) the securities are issued in exchange for a claim against or interest in a debtor or are reissued principally in such exchange and partly for Cash and property.

Such securities may be resold without registration under either (a) state securities or "blue sky" laws pursuant to various exemptions provided by the respective laws of the several states or (b) the Securities Act pursuant to an exemption provided by section 4(1) of the Securities Act unless the holder is an "underwriter" (as such term is defined in the Bankruptcy Code) with respect to the securities. Section 1145(b)(1) of the Bankruptcy Code defines an "underwriter" as any person who:

- purchases a claim against, an interest in, or a claim for an administrative expense against the debtor, if that purchase is with a view to distributing any security received in exchange for such a claim or interest;
- offers to sell securities offered under a plan of reorganization for the holders of those securities;
- offers to buy those securities from the holders of the securities, if the offer to buy is (a) with a view to distributing those securities and (b) under an agreement made in connection with the plan of reorganization, the completion of the plan of reorganization or with the offer or sale of securities under the plan of reorganization; or
- is an issuer with respect to the securities, as the term "issuer" is defined in the Securities Act.

The term "issuer" is defined in section 2(4) of the Securities Act; however, the reference contained in section 1145(b)(1)(D) of the Bankruptcy Code to section 2(11) of the Securities Act purports to include as statutory underwriters all persons who, directly or indirectly, through one or more intermediaries, control, are controlled by or are under common control with, an issuer of securities. "Control" (as defined in Rule 405 under the Securities Act) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise. Accordingly, an officer or director of a reorganized debtor or its successor under a plan of reorganization may be deemed to be a "control person" of such debtor or successor, particularly if the management position or directorship is coupled with ownership of a significant percentage of the reorganized debtor's or its successor's voting securities. Moreover, the legislative history of section 1145 of the Bankruptcy Code suggests that a creditor who owns ten percent (10%) or more of the securities of a reorganized debtor may be presumed to be a "control person."

**2. The New Common Stock to be Issued to the Backstop Investors, the New Notes and the Underlying New Common Stock Issued Upon Conversion of the New Notes in Reliance on Section 4(2) of the Securities Act**

The Debtors believe that the New Common Stock to issued to the Backstop Investors, the Rights Offering Notes to be issued to Holders of Subordinated Notes Claims and the Backstop Investors, if any, and the New Common Stock issuable upon conversion of such Rights Offering Notes (collectively, the "**Rights Offering Securities**"), as provided under the Plan, will be exempt from the registration requirements of the Securities Act, pursuant to section 4(2) of the Securities Act, as transactions by an issuer not involving any public offering, and equivalent exemptions in state securities laws.

**3. Resales of New Common Stock, New Warrants and New Notes**

Resales of the Rights Offering Securities and, to the extent that persons who receive 1145 Securities are deemed to be "underwriters" (collectively, the "**Restricted Holders**"), resales by Restricted Holders of such 1145 Securities, would not be exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law. Restricted Holders and holders of the Rights Offering Securities would, however, be permitted to sell New Common Stock, New Warrants, New Notes or other securities without registration if they are able to comply with the provisions of Rule 144 under the Securities Act, as described further below, or if such securities are registered with the Commission pursuant to the Registration Agreement or otherwise. With respect to the 1145 Securities, any person who is an "underwriter" but not an "issuer" with respect to an issue of securities is, in addition, entitled to engage in exempt "ordinary trading transactions" within the meaning of section 1145(b)(1) of the Bankruptcy Code.

**4. Rule 144**

Under certain circumstances, Restricted Holders and holders of the Rights Offering Securities may be entitled to resell their securities pursuant to the limited safe harbor resale provisions under Rule 144 of the Securities Act, to the extent available and in compliance with applicable state and foreign securities laws.

Generally, Rule 144 of the Securities Act provides that persons who are affiliates of an issuer who resell securities will not be deemed to be underwriters if certain conditions are met. These conditions include the requirement that current public information with respect to the issuer be available, a limitation as to the amount of securities that may be sold in any three-month period, the requirement that the securities be sold in a "brokers transaction" or in a transaction directly with a "market maker" and that notice of the resale be filed with the Commission.

Pursuant to the Plan, certificates evidencing 1145 Securities received by Restricted Holders and Rights Offering Securities will bear a legend substantially in the form below:

"THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS ("STATE ACTS") AND MAY NOT BE SOLD, ASSIGNED, PLEDGED OR TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR STATE ACTS COVERING SUCH SECURITIES OR THE SECURITIES ARE SOLD AND TRANSFERRED IN A TRANSACTION THAT IS EXEMPT FROM OR NOT SUBJECT TO THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SUCH ACT."

**WHETHER OR NOT ANY PARTICULAR PERSON WOULD BE DEEMED TO BE AN "UNDERWRITER" OF SECURITIES TO BE ISSUED PURSUANT TO THE PLAN OR AN "AFFILIATE" OF THE REORGANIZED DEBTOR WOULD DEPEND UPON VARIOUS FACTS AND CIRCUMSTANCES APPLICABLE TO THAT PERSON. ACCORDINGLY, THE DEBTOR EXPRESSES NO VIEW AS TO WHETHER ANY SUCH PERSON WOULD BE SUCH AN "UNDERWRITER" OR AN "AFFILIATE." IN VIEW OF THE COMPLEX, SUBJECTIVE NATURE OF THE QUESTION OF WHETHER A PARTICULAR PERSON MAY BE AN UNDERWRITER OR AN AFFILIATE OF THE REORGANIZED DEBTORS, THE DEBTOR MAKES NO REPRESENTATIONS CONCERNING THE**

**RIGHT OF ANY PERSON TO TRADE IN SECURITIES OF THE REORGANIZED DEBTORS. ACCORDINGLY, THE DEBTOR RECOMMENDS THAT POTENTIAL RECIPIENTS OF ANY SECURITIES TO BE ISSUED PURSUANT TO THE PLAN CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES.**

## IX.
## CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

### A. INTRODUCTION

The following discussion summarizes certain federal income tax consequences expected to result from the consummation of the Plan. This discussion is only for general information purposes and only describes the expected tax consequences to Holders entitled to vote on the Plan. It is not a complete analysis of all potential federal income tax consequences and does not address any tax consequences arising under any state, local or foreign tax laws or federal estate or gift tax laws. This discussion is based on the Internal Revenue Code of 1986, as amended (the "**IRC**" or "**Tax Code**"), Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the Internal Revenue Service (the "**IRS**"), all as in effect on the date of this Disclosure Statement. These authorities may change, possibly retroactively, resulting in federal income tax consequences different from those discussed below. No ruling has been or will be sought from the IRS, and no legal opinion of counsel will be rendered, with respect to the matters discussed below. There can be no assurance that the IRS will not take a contrary position regarding the federal income tax consequences resulting from the consummation of the Plan or that any contrary position would not be sustained by a court.

For purposes of this discussion, the terms "**Old Term Obligations**" and "**Old Subordinated Notes**" are used to refer to the Prepetition First Out Credit Agreement Claims and Subordinated Notes Claims, respectively, the term "**Restructured Credit Facility Notes**" is used to refer to the notes issued in connection with the Restructured Credit Facility and the term "**Old Common Stock**" is used to refer to Accuride's common stock. This discussion assumes that Holders of the Old Term Obligations, Old Subordinated Notes (collectively, the "**Old Notes**") and the Accuride Other Equity Interests have held such property as "capital assets" within the meaning of IRC Section 1221 (generally, property held for investment) and will hold the Restructured Credit Facility Notes, Rights Offering Notes (collectively, the "**New Notes**"), New Common Stock and New Warrants (collectively, "**New Equity Interests**") as capital assets. In addition, this discussion assumes that the Debtors' obligations under the Old Notes and New Notes will be treated as debt for federal income tax purposes.

This discussion does not address all federal income tax considerations that may be relevant to a particular Holder in light of that Holder's particular circumstances or to Holders subject to special rules under the federal income tax laws, such as financial institutions, insurance companies, brokers, dealers or traders in securities, commodities or currencies, tax-exempt organizations, tax-qualified retirement plans, partnerships and other pass-through entities, foreign corporations, foreign trusts, foreign estates, Holders who are not citizens or residents of the United States, Holders subject to the alternative minimum tax, Holders holding the Old Notes, New Notes, Accuride Other Equity Interests or New Equity Interests as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment, Holders who have a functional currency other than the U.S. dollar and Holders that acquired the Old Notes or Accuride Other Equity Interests in connection with the performance of services.

HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF THE CONSUMMATION OF THE PLAN AND THE OWNERSHIP AND DISPOSITION OF THE NEW NOTES AND NEW EQUITY INTERESTS RECEIVED PURSUANT TO THE PLAN, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL OR FOREIGN TAX LAWS, OR ANY OTHER FEDERAL TAX LAWS.

**TO COMPLY WITH INTERNAL REVENUE SERVICE CIRCULAR 230, TAXPAYERS ARE HEREBY NOTIFIED THAT (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES CONTAINED OR REFERRED TO IN THIS DISCLOSURE STATEMENT (INCLUDING ANY ATTACHMENTS) IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON A TAXPAYER UNDER THE INTERNAL REVENUE CODE, (B) ANY SUCH DISCUSSION IS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED**

**HEREIN, AND (C) TAXPAYERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.**

## B. FEDERAL INCOME TAX CONSEQUENCES TO THE DEBTORS

### 1. Cancellation of Indebtedness and Reduction of Tax Attributes

The Debtors generally should recognize cancellation of indebtedness ("**COD**") income to the extent the sum of (a) the fair market value of any property (including New Common Stock) and (b) the issue prices of the Restructured Credit Facility Notes received by Holders is less than the sum of (x) the adjusted issue prices of the Old Notes, (y) the adjusted issue price of any other debt exchanged for property pursuant to the Plan and (z) the amount of any unpaid accrued interest on the Old Notes and such other debt (except to the extent the Debtors' payment of such interest would give rise to a tax deduction).

The Debtors currently estimate that the amount of COD income recognized upon consummation of the Plan could range from approximately $75 million to approximately $175 million; however, the ultimate amount of COD income recognized by the Debtors is uncertain because, among other things, it will depend on the fair market value of the New Common Stock and the issue price of the Restructured Credit Facility Notes on the Effective Date. Under IRC Section 108, COD income recognized by a debtor will be excluded from gross income if the discharge of debt occurs in a case brought under the Bankruptcy Code, the debtor is under the court's jurisdiction in such case and the discharge is granted by the court or is pursuant to a plan approved by the court (the "**Bankruptcy Exception**"). Because the Bankruptcy Exception will apply to the transactions consummated pursuant to the Plan, the Debtors will be entitled to exclude from gross income any COD income recognized as a result of the implementation of the Plan.

Under IRC Section 108(b), a debtor that excludes COD income from gross income under the Bankruptcy Exception generally must reduce certain tax attributes by the amount of the excluded COD income. Attributes subject to reduction include net operating losses ("**NOLs**"), NOL carryforwards and certain other losses, credits and carryforwards, and the debtor's tax basis in its assets (including stock of subsidiaries). A debtor's tax basis in its assets generally may not be reduced below the amount of liabilities remaining immediately after the discharge of indebtedness. If the debtor is a member of a consolidated group and is required to reduce its basis in the stock of another group member, a "look-through rule" requires a corresponding reduction in the tax attributes of the lower-tier member. If the amount of a debtor's excluded COD income exceeds the amount of attribute reduction resulting from the application of the foregoing rules, certain other tax attributes of the consolidated group may also be subject to reduction. NOLs for the taxable year of the discharge and NOL carryovers to such year generally are the first attributes subject to reduction. However, a debtor may elect under IRC Section 108(b)(5) (the "**Section 108(b)(5) Election**") to reduce its basis in its depreciable property first. If the debtor is a member a consolidated group, the debtor may treat stock in another group member as depreciable property for purposes of the Section 108(b)(5) Election, provided the lower-tier member consents to a corresponding reduction in its basis in its depreciable property. If a debtor makes a Section 108(b)(5) Election, the limitation on reducing the debtor's basis in its assets below the amount of its remaining liabilities does not apply. The Debtors have not yet determined whether they will make the Section 108(b)(5) Election.

For tax periods through the 2008 tax year, the Debtors have reported on their federal income tax returns approximately $75 million of consolidated NOLs and NOL carryforwards. Approximately $26 million of these NOLs are subject to pre-existing usage limitations under IRC Section 382. The Debtors believe that for federal income tax purposes, the Debtors' consolidated group likely will generate approximately $120 million of additional NOLs in the 2009 tax year. However, the amount of the Debtors' 2009 NOLs will not be determined until the Debtors prepare their consolidated federal income tax returns for the 2009 tax year. Moreover, the Debtors' NOLs are subject to audit and possible challenge by the IRS. Accordingly, the amount of the Debtors' NOLs ultimately may vary from the amounts set forth above.

The Debtors currently anticipate that the application of IRC Section 108(b) (assuming no Section 108(b)(5) Election is made) is likely to result in a reduction of consolidated NOLs and basis in certain assets (including stock) of the Debtors. However, the ultimate effect of the attribute reduction rules is uncertain because, among other things, it will depend on the amount of COD income realized by the Debtors.

Under recently enacted Section 108(i) of the Tax Code, the Debtors may generally elect to defer COD income rather than exclude it under the Bankruptcy Exception. Deferred COD income under this rule would be included in the Debtors' income ratably over the five taxable-year period starting in 2014. This election is irrevocable. To the extent COD income is designated to be deferred under this rule, the Debtors would not be required to reduce any of their tax attributes but would have COD income includible in gross income in future years. The Debtors do not expect to make this election.

### 2. Section 382 Limitation on Net Operating Losses

Under IRC Section 382, if a corporation or a consolidated group of corporations with NOLs (a "**loss corporation**") undergoes an "ownership change," the loss corporation's use of its pre-change NOLs (and certain other tax attributes) generally will be subject to an annual limitation in the post-change period. In general, an "ownership change" occurs if the percentage of the value of the loss corporation's stock owned by one or more direct or indirect "five percent shareholders" increases by more than fifty percentage points over the lowest percentage of value owned by the five percent shareholders at any time during the applicable testing period (an "**Ownership Change**"). The testing period generally is the shorter of (i) the three-year period preceding the testing date or (ii) the period of time since the most recent Ownership Change of the corporation.

Subject to the special bankruptcy rules discussed below, the amount of the annual limitation on a loss corporation's use of its pre-change NOLs (and certain other tax attributes) is generally equal to the product of the applicable long-term tax-exempt rate (as published by the IRS for the month in which the Ownership Change occurs) and the value of the loss corporation's outstanding stock immediately before the Ownership Change (excluding certain capital contributions). If a loss corporation has a net unrealized built-in gain ("**NUBIG**") immediately prior to the Ownership Change, the annual limitation may be increased as certain gains are recognized during the subsequent five-year period. If a loss corporation has a net unrealized built-in loss ("**NUBIL**") immediately prior to the Ownership Change, certain losses recognized during the subsequent five-year period also would be subject to the annual limitation and thus would reduce the amount of pre-change NOLs that could used by the loss corporation during the five-year period.

A NUBIG or NUBIL is generally the difference between the fair market value of a loss corporation's assets and its tax basis in the assets, subject to a statutorily-defined threshold amount. The amount of a loss corporation's NUBIG or NUBIL must be adjusted for built-in items of income or deduction that would be attributable to a pre-change period if recognized during the five-year period beginning on the Ownership Change date (the "**Recognition Period**"). The NUBIG or NUBIL of a consolidated group generally is calculated on a consolidated basis, subject to special rules. For example, certain corporations that joined the consolidated group within the preceding five years may not be able to be taken into account in determining whether the group has a NUBIL, but would be taken into account in determining whether the group has a NUBIG.

If a loss corporation has a NUBIG immediately prior to an Ownership Change, any recognized built-in-gains ("**RBIGs**") will increase the annual limitation in the taxable year the RBIG is recognized. An RBIG generally is any gain (and certain income) with respect to an asset held at the time of the Ownership Change that is recognized in any taxable year any portion of which is within the Recognition Period. The amount of an RBIG is limited to the lesser of (i) the excess of the fair market value of the asset over its tax basis immediately prior to the Ownership Change or (ii) the NUBIG less the amount of RBIGs from prior years ending during the Recognition Period. On the other hand, if a loss corporation has a NUBIL immediately prior to an Ownership Change, any recognized built-in-losses ("**RBILs**") will be subject to the annual limitation in the same manner as pre-change NOLs. An RBIL generally is any loss (and certain deductions) with respect to an asset held at the time of the Ownership Change that is recognized in any taxable year any portion of which is within the Recognition Period. The amount of an RBIL is limited to the lesser of (i) the excess of the tax basis of the asset over its fair market value immediately prior to the Ownership Change or (ii) the NUBIL less the amount of RBILs from prior years ending during the Recognition Period.

The Debtors believe they experienced an Ownership Change on December 10, 2007 and, as a result, the Debtors' use of their consolidated NOLs and AMT NOLs (and possibly other tax attributes) attributable to the period prior to such date are subject to an annual limitation. Another Ownership Change prior to the Effective Date similarly would result in an annual limitation on the Debtor's use of their consolidated NOLs and AMT NOLs (and

possibly other tax attributes) attributable to the period prior to such date, including their NOLs (and possibly other tax attributes) attributable to period prior to the December 10, 2007 Ownership Change. When NOLs and other tax attributes are subject to more than one IRC Section 382 annual limitation, the lowest annual limitation applies. It is likely that any Ownership Change occurring prior to the Effective Date will result in all or substantially all of the Debtors' existing NOLs (and possibly other tax attributes) being unusable in periods after such Ownership Change. The Debtors expect the consummation of the Plan on the Effective Date also will result in an Ownership Change of the Debtors' consolidated group. Because the Ownership Change will occur in a case brought under the Bankruptcy Code, one of the following two special rules will apply in determining the Debtors' ability to utilize NOLs (and possibly other tax attributes) attributable to tax periods preceding the Effective Date in post-Effective Date tax periods.

Under IRC Section 382(*l*)(5), an Ownership Change in bankruptcy will not result in any annual limitation on the debtor's pre-change NOLs if the stockholders or qualified creditors of the debtor receive at least 50% of the stock (by vote and value) of the reorganized debtor in the bankruptcy reorganization as a result of being shareholders or creditors of the debtor. Instead, the debtor's pre-change NOLs are reduced by the amount of any interest deductions with respect to debt converted into stock in the bankruptcy reorganization that were allowed in the three taxable years preceding the taxable year in which the Ownership Change occurs and in the part of the taxable year prior to and including the effective date of the bankruptcy reorganization. However, if any pre-change NOLs (and certain other tax attributes) of the debtor already are subject to an annual usage limitation under IRC Section 382 at the time of an Ownership Change subject to IRC Section 382(*l*)(5), those NOLs (and certain other tax attributes) will continue to be subject to such limitation.

A qualified creditor is any creditor who has held the debt of the debtor for at least eighteen months prior to the petition date or who has held "ordinary course indebtedness" at all times since it has been outstanding. A creditor who does not become a direct or indirect five percent shareholder of the reorganized debtor generally may be treated by the debtor as having always held any debt owned immediately before the Ownership Change, unless the creditor's participation in formulating the plan of reorganization makes evident to the debtor that the creditor has not owned the debt for the requisite period.

A debtor may elect not to apply IRC Section 382(*l*)(5) to an Ownership Change that otherwise satisfies its requirements. This election must be made on the debtor's federal income tax return for the taxable year in which the Ownership Change occurs. If IRC Section 382(*l*)(5) applies to an Ownership Change (and the debtor does not elect out), any subsequent Ownership Change of the debtor within a two-year period will result in the debtor being unable to use any pre-change losses in any tax year ending after such subsequent Ownership Change to offset future taxable income. In this regard, sales or conversions of the Rights Offering Notes or exercise of the Warrants may increase the likelihood of an Ownership Change after the Effective Date.

If an Ownership Change pursuant to a bankruptcy plan does not satisfy the requirements of IRC Section 382(*l*)(5), or if a debtor elects not to apply IRC Section 382(*l*)(5), the debtor's use of its pre-change NOLs (and certain other tax attributes) will be subject to an annual limitation as determined under IRC Section 382(*l*)(6). In such case, the amount of the annual limitation generally will be equal to the product of the applicable long-term tax-exempt rate (4.33% for November 2009) and the value of the debtor's outstanding stock immediately *after* the bankruptcy reorganization, provided such value may not exceed the value of the debtor's gross assets immediately before the Ownership Change, subject to certain adjustments. As described above, depending on whether the debtor has a NUBIG or NUBIL immediately prior to the Ownership Change, the annual limitation would be increased by any RBIGs, or would also apply to any RBILs, during the Recognition Period. However, if any pre-change NOLs (and certain other tax attributes) of the debtor already are subject to an annual limitation at the time of an Ownership Change subject to IRC Section 382(*l*)(6), those NOLs (and certain other tax attributes) will be subject to the lower of the two annual limitations.

The Debtors are unable to determine at this time whether the Ownership Change expected to result from the consummation of the Plan may satisfy the requirements of IRC Section 382(*l*)(5), as such determination will depend on the extent to which Holders of the Old Subordinated Notes immediately prior to consummation of the Plan may be treated as qualified creditors for purposes of IRC Section 382(*l*)(5). If IRC Section 382(*l*)(6) applies, the Debtors' pre-change NOLs and certain other tax attributes remaining after reduction for excluded COD income will be subject to an annual limitation generally equal to the product of the long-term tax-exempt rate for the month

of the Effective Date and the value of the Debtors' outstanding stock immediately after consummation of the Plan, prior to giving effect to the NUBIG and NUBIL rules described above. At this time, the Debtors are unable to predict whether they will have a NUBIG or NUBIL that will exceed the statutorily-defined threshold amount on the Effective Date. NOLs (and certain other tax attributes) not utilized in a given year due to the annual limitation may be carried forward for use in future years until their expiration dates. To the extent the Reorganized Debtors' annual limitation exceeds the consolidated group's taxable income in a given year, the excess will increase the annual limitation in future taxable years.

### 3. Alternative Minimum Tax

In general, an alternative minimum tax ("**AMT**") is imposed on a corporation's alternative minimum taxable income ("AMTI") at a 20% rate to the extent such tax exceeds the corporation's regular federal income tax for the taxable year. For purposes of computing AMTI, certain tax deductions and other beneficial allowances are modified or eliminated, with further adjustments required if AMTI, determined without regard to adjusted current earnings ("**ACE**"), differs from ACE. In addition, even though a corporation otherwise might be able to offset all of its taxable income for regular tax purposes by available NOL carryforwards, only 90% of its AMTI generally may be offset by available AMT NOL carryforwards. Accordingly, for tax periods after the Effective Date, the Reorganized Debtors may have to pay AMT regardless of whether they generate non-AMT NOLs or have sufficient non-AMT NOL carryforwards to offset regular taxable income for such periods. In addition, if a corporation undergoes an Ownership Change within the meaning of IRC Section 382 and is in a NUBIL position on the date of the Ownership Change, the corporation's aggregate tax basis in its assets would be reduced for certain AMT purposes to reflect the fair market value of such assets as of the change date. A corporation that pays AMT generally is later allowed a nonrefundable credit (equal to a portion of its prior year AMT liability) against its regular federal income tax liability in future taxable years when it is no longer subject to the AMT.

## C. FEDERAL INCOME TAX CONSEQUENCES TO HOLDERS OF CERTAIN CLAIMS

### 1. Holders of Prepetition First Out Credit Agreement Claims (Class 4)

#### (a) Exchange of Old Term Obligations for Restructured Credit Facility Notes

*Recognition of Gain or Loss.* Under applicable Treasury Regulations, the significant modification of a debt instrument will result in a deemed exchange of the "old" debt instrument for a "new" debt instrument and will be a taxable event upon which gain or loss may be recognized in certain circumstances. A modification of a debt instrument is significant if the modified instrument differs materially either in kind or extent from the original debt instrument. Pursuant to the Plan, the terms of the Old Term Obligations will be amended or otherwise modified, resulting in, among other things, significant increases in the applicable interest rates. Under the change in yield test in the Treasury Regulations, the change in the interest rate on the Old Term Obligations will be considered a significant modification, and thus the exchange of Old Term Obligations for Restructured Credit Facility Notes will be a taxable event upon which gain or loss may be recognized.

The federal income tax consequences of the exchange of Old Term Obligations for Restructured Credit Facility Notes depend, in part, on whether the Old Term Obligations and Restructured Credit Facility Notes constitute "securities" for purposes of the "reorganization" provisions of the Tax Code. The test of whether a debt obligation is a security involves an overall evaluation of the nature of the obligation, with the term of the obligation usually regarded as one of the most significant factors. Debt obligations with a term of five years or less generally have not qualified as securities, whereas debt obligations with a term of ten years or more generally have qualified as securities. Another important factor in determining whether a debt obligation is a security is the extent to which the obligation is subordinated to other liabilities of the issuer. Generally, the more senior the debt obligation, the less likely it is to be a security.

Because the Restructured Credit Facility Notes do not appear to constitute securities for federal income tax purposes, the Debtors intend to take the position that the exchange of the Old Term Obligations for Restructured Credit Facility Notes constitutes a taxable exchange upon which Holders must recognize gain or loss for federal income tax purposes. Subject to the "*Other Considerations—Accrued Interest*" discussion below, the amount of gain or loss recognized by a Holder would be equal to the difference between (i) the issue price of the Restructured

Credit Facility Notes (see "*Restructured Credit Facility Notes*" discussion below) and (ii) the Holder's adjusted tax basis in the Old Term Obligations exchanged therefor. Subject to the "*Other Considerations—Market Discount*" discussion below, any such gain or loss generally would be capital gain or loss, and would be long-term capital gain or loss if the Holder has held the Old Term Obligations for more than one year as of the Effective Date. A Holder's initial tax basis in the Restructured Credit Facility Notes would be equal to the debt's issue price, and its holding period would begin on the day after the Effective Date.

Holders should consult their tax advisors regarding the possibility that the Old Term Obligations and Restructured Credit Facility Notes each constitute a security and hence the exchange of such Obligations for such Notes would be treated as a reorganization in which no gain or loss would be recognized. In addition, Holders should consult their tax advisors regarding the character of any gain or loss recognized as long-term or short-term capital gain or loss, or as ordinary income or loss, as its character will be determined by a number of factors, including (but not limited to) the tax status of the Holder, whether the Old Term Obligations constitute a capital asset in the Holder's hands, whether the Old Term Obligations have been held for more than one year, whether the Old Term Obligations have bond premium or market discount, and whether and to what extent the Holder previously claimed a bad debt deduction with respect to the Old Term Obligations. Holders also should consult their tax advisors regarding the applicable tax rates and netting rules for capital gains and losses, and as to whether any resulting gain recognition may be deferred under the installment method until principal is repaid on the Restructured Credit Facility Notes. There are limitations on the deduction of capital losses by both corporate and noncorporate taxpayers.

(b) Restructured Credit Facility Notes

*Interest and Original Issue Discount.* Payments of stated interest on the Restructured Credit Facility Notes will constitute payments of "qualified stated interest" and generally will be taxable to Holders as ordinary income at the time the payments are received or accrued, in accordance with the holder's method of tax accounting.

The preceding discussion assumes the Restructured Credit Facility Notes will not be issued with original issue discount ("**OID**"). The Restructured Credit Facility Notes generally would be treated as issued with OID if the principal amount of the Restructured Credit Facility Notes plus all scheduled interest payments thereon, other than payments of qualified stated interest, exceeded the issue price of the notes by more than a de minimis amount. The issue price of a debt instrument issued in exchange for another debt instrument depends on whether either debt instrument is considered publicly traded for purposes of the OID rules at any time during the sixty-day period ending thirty days after the issue date. If neither debt instrument is publicly traded, the issue price of the new debt instrument will be its stated principal amount if the new debt instrument provides for adequate stated interest (*i.e.*, interest at least at the applicable federal rate as of the issue date), or will be its imputed principal amount if the instrument does not provide for adequate stated interest. If the new debt instrument is publicly traded, its issue price generally will be its trading price immediately following issuance. If the old debt instrument is publicly traded, but the new debt instrument is not, the issue price of the new debt instrument generally will be the fair market value of the old debt instrument at the time of the exchange less the fair market value of the portion of the old debt instrument allocable to any other property received in the exchange.

A debt instrument will generally be considered to be publicly traded if certain pricing information related to the instrument is generally available on a quotation medium or readily available from dealers, brokers or traders. Because the relevant trading period is generally in the future, it is impossible to predict whether the Old Term Obligations or the Restructured Credit Facility Notes will be publicly traded during the relevant period. In the event that the Old Term Obligations or the Restructured Credit Facility Notes are determined to be publicly traded, the issue price of the Restructured Credit Facility Notes will be their trading price on or around the time of issuance. In general, if the issue price of the Restructured Credit Facility Notes is less than their principal amount by more than a de minimis amount, the Restructured Credit Facility Notes would be treated as issued with OID and the rules described in the "*Rights Offering Notes*" discussion below relating to OID and the election to treat all interest as OID would apply.

*Sale, Retirement or Other Taxable Disposition.* A Holder of Restructured Credit Facility Notes will recognize gain or loss upon the sale, redemption, retirement or other taxable disposition of the Restructured Credit Facility Notes equal to the difference between the amount realized upon the disposition (less a portion allocable to

any unpaid accrued interest and OID which generally will be taxable as ordinary income) and the Holder's adjusted tax basis in the Restructured Credit Facility Notes. Subject to the discussion below in "*Other Considerations – Market Discount*," any such gain or loss generally will be capital gain or loss (if the notes are held as a "capital asset" as discussed more fully above), and will be long-term capital gain or loss if the Holder has held the Restructured Credit Facility Notes for more than one year as of the date of disposition. Holders should consult their tax advisors regarding the applicable tax rates and netting rules for capital gains and losses. There are limitations on the deduction of capital losses by both corporate and noncorporate taxpayers.

*CPDI Rules*. The Debtors intend to treat the Restructured Credit Facility Notes as subject to the Treasury Regulations governing "variable rate debt instruments" (the "**VRDI Rules**"). If, however, the Restructured Credit Facility Notes are not subject to the VRDI Rules, the rules governing "contingent payment debt instruments" (the "**CPDI Rules**") may apply to the Restructured Credit Facility Notes. If the CPDI Rules apply to the Restructured Credit Facility Notes, the tax consequences of owning and disposing of such Notes may be materially different than those described above, including with respect to the character, timing, and amount of income, gain, or loss recognized. This discussion generally assumes that the CPDI Rules will not apply to the Restructured Credit Facility Notes, but there can be no assurance in this regard. Holders are urged to consult their own tax advisors with respect to the appropriate treatment of the Restructured Credit Facility Notes.

### 2. Holders of Prepetition Senior Subordinated Notes Claims (Class 7)

#### (a) Exchange of Old Subordinated Notes for New Common Stock

*Recognition of Gain or Loss*. The federal income tax consequences of the consummation of the Plan to Holders of Old Subordinated Notes depend, in part, on whether the Old Subordinated Notes constitute "securities" for purposes of the "reorganization" provisions of the Tax Code. As described above, the test of whether a debt obligation is a security involves an overall evaluation of the nature of the obligation, with the term of the obligation usually regarded as one of the most significant factors. Debt obligations with a term of five years or less generally have not qualified as securities, whereas debt obligations with a term of ten years or more generally have qualified as securities. Another important factor in determining whether a debt obligation is a security is the extent to which the obligation is subordinated to other liabilities of the issuer. Generally, the more senior the debt obligation, the less likely it is to be a security.

The Old Subordinated Notes should be treated as a security because the notes are unsecured subordinated obligations with an original term of ten years. Accordingly, the Debtors intend to take the position that the exchange of the Old Subordinated Notes for New Common Stock constitutes a recapitalization for federal income tax purposes. For these purposes, it appears that the receipt of the right to participate in the Rights Offering should not be considered a separate property right with independent value received in exchange for Old Subordinated Notes. As a result, subject to the "*Other Considerations—Accrued Interest*" discussion below, the Holders of Old Subordinated Notes should not recognize gain or loss upon the exchange of the Old Subordinated Notes for New Common Stock A Holder's basis in the New Common Stock should be equal to the Holder's basis in the Old Subordinated Notes exchanged therefore, and a Holder's holding period in such Stock will include the Holder's holding period in such Notes.

#### (b) New Common Stock

*Distributions*. A Holder of New Common Stock generally will be required to include in gross income as ordinary dividend income the amount of any distributions paid on the New Common Stock to the extent such distributions are paid out of the Reorganized Debtors' current or accumulated earnings and profits as determined for federal income tax purposes. Distributions not treated as dividends for federal income tax purposes will constitute a return of capital and will first be applied against and reduce a Holder's adjusted tax basis in the New Common Stock, but not below zero. Any excess amount will be treated as gain from a sale or exchange of the New Common Stock. Holders that are treated as corporations for federal income tax purposes may be entitled to a dividends received deduction with respect to distributions out of earnings and profits.

*Sale or Other Taxable Disposition*. A Holder of New Common Stock will recognize gain or loss upon the sale or other taxable disposition of New Common Stock equal to the difference between the amount realized upon

the disposition and the Holder's adjusted tax basis in the New Common Stock. Subject to the rules discussed below in "*Other Considerations—Market Discount*" and the recapture rules under IRC Section 108(e)(7), any such gain or loss generally will be capital gain or loss, and will be long-term capital gain or loss if the Holder has held the New Common Stock for more than one year as of the date of disposition. Under the IRC Section 108(e)(7) recapture rules, a Holder may be required to treat gain recognized on the taxable disposition of the New Common Stock as ordinary income if the Holder took a bad debt deduction with respect to the Old Subordinated Notes or recognized an ordinary loss on the exchange of the Old Subordinated Notes for New Common Stock. Holders should consult their tax advisors regarding the applicable tax rates and netting rules for capital gains and losses. There are limitations on the deduction of capital losses by both corporate and noncorporate taxpayers.

### 3. Holders of Accuride Other Equity Interests (Class 10)

#### (a) Old Common Stock Exchanged for New Equity Interests or Cancelled

*Recognition of Gain or Loss.* Holders of Old Common Stock who receive New Common Stock and New Warrants on the Effective Date in exchange for their Old Common Stock generally should not recognize gain or loss on the exchange. A Holder's tax basis in the New Common Stock and New Warrants received should be equal to its tax basis in the Old Common Stock exchanged therefor, allocated between the New Common Stock and New Warrants in accordance with their respective fair market values as of the Effective Date. A Holder's holding period with respect to the New Common Stock and New Warrants would include the holding period of its Old Common Stock. A Holder's tax basis and holding period in the New Common Stock and New Warrants would generally be required to be calculated separately for each block of Old Common Stock exchanged.

*Worthless Stock Deduction.* If the event Holders of Class 10 Claims vote to reject the Plan, the Old Common Stock will be cancelled and Holders of Old Common Stock will receive no distribution under the Plan. In such case, Holders of Old Common Stock may be entitled to claim a worthless stock deduction in an amount equal to the Holder's adjusted basis in the Old Common Stock. A worthless stock deduction is generally treated as a loss from the sale or exchange of a capital asset. Holders should consult their own tax advisers as to the appropriate tax year in which to claim a worthless stock deduction.

#### (b) New Common Stock

See the discussion above under "Holders of Prepetition Senior Subordinated Notes Claims (Class 7)—New Common Stock."

#### (c) New Warrants

A Holder of a New Warrant generally will not recognize gain or loss upon exercise. A Holder's tax basis in the New Common Stock received upon exercise of a New Warrant will be equal to the sum of the Holder's tax basis in the New Warrant and the exercise price. Generally, the Holder will commence a new holding period with respect to the New Common Stock received on the date of exercise.

In general, anti-dilution adjustments do not result in constructive distributions. However, an adjustment to the exercise price or conversion rate of the New Warrants, or the failure to make such adjustments, may, in certain circumstances, result in constructive distributions that could be taxable to the holder of the New Warrants. In such event, a Holder's tax basis in a New Warrant should generally be increased by the amount of any dividend.

Upon the lapse or disposition of a New Warrant, the Holder generally would recognize gain or loss equal to the difference between the amount received (zero in the case of a lapse) and its tax basis in the New Warrant. In general, such gain or loss would be a capital gain or loss, and would be long-term or short-term depending on the holding period of the New Warrant..

### 4. Rights Offering Notes

*Original Issue Discount.* All stated interest on the Rights Offering Notes will be treated as OID because some of the interest on the Rights Offering Notes will not be unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate. As a result, a Holder of a Rights Offering Notes will in certain circumstances be required to include OID in gross income annually on a constant yield basis in advance of the receipt of cash attributable to that income, regardless of the Holder's regular method of tax accounting. However, a Holder generally will not be required to include separately in income cash payments received on the Rights Offering Notes to the extent the payments constitute payments of previously accrued OID.

The amount of OID on a Rights Offering Note will be equal to the excess of (i) the principal amount of the Rights Offering Notes due at maturity plus all scheduled interest payments thereon over (ii) the issue price of the Rights Offering Notes. The issue price for the Rights Offering Notes should be equal to their principal amount because the Notes are being purchased for cash in an amount equal to their face amount.

The amount of OID includible in gross income annually by a Holder of a Rights Offering Note will be the sum of the daily portions of OID with respect to the note for each day during the taxable year (or portion thereof) during which the Holder holds the Note. The daily portion is determined by allocating to each day of any accrual period a pro-rata portion of the OID that accrued during the period. The accrual period of a Rights Offering Note may be of any length and may vary in length over the term of the note, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs either on the first or last day of an accrual period. The amount of OID allocable to any accrual period will be an amount equal to the product of the adjusted issue price of the Rights Offering Note at the beginning of the accrual period and its yield to maturity (determined on a constant yield method, compounded at the close of each accrual period and properly adjusted for the length of the accrual period). The adjusted issue price of a Rights Offering Note at the beginning of any accrual period will be the issue price of the Note *plus* the aggregate amount of accrued OID for all prior accrual periods *minus* any payments previously made on the Note. Under these rules, a Holder will have to include an increasingly greater amount of OID in income in each successive accrual period.

A Holder's tax basis in a Rights Offering Notes will be increased by the amount of OID included in the Holder's gross income and will be decreased by the amount of any payments received by the Holder with respect to the note, whether the payments are denominated as principal or interest.

In certain circumstances, the Reorganized Debtors may be obligated to pay amounts in excess of stated interest or principal on the Restructured Credit Facility Notes. Under applicable Treasury Regulations, the possibility that any such excess amounts will be paid will not affect the amount or timing of interest income a Holder recognizes if there is only a remote chance as of the date the notes are issued that such payments will be made. The Debtors believe the likelihood they will be obligated to make any such payments is remote and, therefore, do not intend to treat the potential payment of these amounts as part of the yield to maturity of the notes. The Debtors' determination that these contingencies are remote is binding on a Holder unless the Holder discloses its contrary position in the manner required by applicable Treasury Regulations. The Debtors' determination, however, is not binding on the IRS. If the IRS were to challenge this determination, a Holder might be required to accrue income on its Restructured Credit Facility Notes in excess of stated interest, and to treat as ordinary income, rather than capital gain, any income realized on the taxable disposition of a note before the resolution of the contingencies. If any such amounts are in fact paid, Holders will be required to recognize such amounts as income.

*Backstop Commitment Fee.* The tax treatment of the Backstop Commitment Fee is not free from doubt. The Debtors intend to take the position that the Backstop Commitment Fee is a payment for services and thus taxable to the recipients of the fee as ordinary income.

*Constructive Distributions.* The conversion rate of the Rights Offering Notes will be adjusted in certain circumstances. Adjustments (or failures to make adjustments) that have the effect of increasing a Holder's proportionate interest in the Debtors' assets or earnings may in some circumstances result in a deemed distribution to a Holder for federal income tax purposes even though the Holder has not received any cash or property as a result of such adjustments. Adjustments to the conversion rate made pursuant to a bona fide reasonable adjustment formula that has the effect of preventing the dilution of the interest of the Holders of the Rights Offering Notes, however,

will generally not be considered to result in a deemed distribution to a Holder. Any deemed distributions should be taxable as a dividend, return of capital, or capital gain as described in "*Holders of Prepetition Senior Subordinated Notes Claims (Class 7)—New Common Stock—Distributions*" above. It is not clear whether a constructive dividend deemed paid to a noncorporate Holder would be eligible for the preferential rates of federal income tax currently applicable in respect of certain dividends received. It is also unclear whether corporate Holders would be entitled to claim the dividends received deduction with respect to any such constructive dividends. Because a constructive dividend deemed received by a Holder would not give rise to any cash from which any applicable withholding could be satisfied, if we pay backup withholding on behalf of a Holder (because such Holder failed to establish an exemption from backup withholding), we may, at our option, set off any such payment against payments of cash and New Common Stock payable on the Rights Offering Notes (or, in certain circumstances, against any payments on the New Common Stock).

*Conversion.* Because the Rights Offering Notes should qualify as securities for federal income tax purposes, a conversion should be treated as a recapitalization in which no gain or loss would be recognized, assuming only New Common Stock is received on conversion. The tax basis of the shares of common stock received upon such a conversion should generally equal the tax basis of the note that was converted, and a Holder's holding period for shares of New Common Stock should include the period during which the Holder held the Rights Offering Notes. Holders should consult their own tax advisers as to the tax consequences of receiving or failing to receive New Common Stock in exchange for accrued OID and the tax consequences relating to fractional shares of New Common Stock, if any, deemed received or disposed of in connection with a conversion.

*Sale, Retirement or Other Taxable Disposition.* A Holder of Rights Offering Notes will recognize gain or loss upon the sale, redemption, retirement or other taxable disposition of the Rights Offering Notes equal to the difference between the amount realized upon the disposition (less a portion allocable to any accrued OID that has not yet been included in income by the Holder, which generally will be taxable as ordinary income) and the Holder's adjusted tax basis in the Rights Offering Notes. Any such gain or loss generally will be capital gain or loss, and will be long-term capital gain or loss if the Holder has held the Rights Offering Notes for more than one year as of the date of disposition. Holders should consult their tax advisors regarding the applicable tax rates and netting rules for capital gains and losses. There are limitations on the deduction of capital losses by both corporate and noncorporate taxpayers.

### 5. Other Considerations

*Accrued Interest.* To the extent a Holder of Old Notes receives consideration that is attributable to unpaid accrued interest on the notes, the Holder may be required to treat such consideration as a payment of interest. There is general uncertainty regarding the extent to which the receipt of cash or other property should be treated as attributable to unpaid accrued interest. The Reorganized Debtors intend to take the position, and the Plan provides, that cash or property distributed pursuant to the Plan will first be allocable to the principal amount of a Holder's Claim and then, to the extent necessary, to any unpaid accrued interest thereon. The IRS, however, could take a contrary position.

To the extent any property received pursuant to the Plan is considered attributable to unpaid accrued interest, a Holder will recognize ordinary income to the extent the value of the property exceeds the amount of unpaid accrued interest previously included in gross income by the Holder. A Holder's tax basis in such property should be equal to the amount of interest income treated as satisfied by the receipt of the property, and its holding period in the property should begin on the day after the Effective Date. A Holder generally will be entitled to recognize a loss to the extent any accrued interest previously included in its gross income is not paid in full. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE EXTENT TO WHICH CONSIDERATION RECEIVED UNDER THE PLAN SHOULD BE TREATED AS ATTRIBUTABLE TO UNPAID ACCRUED INTEREST.

*Market Discount.* A Holder will be considered to have acquired an Old Note at a market discount if its tax basis in the note immediately after acquisition is less than the sum of all amounts payable thereon (other than payments of qualified stated interest) after the acquisition date, subject to a statutorily-defined *de minimis* exception. Market discount generally accrues on a straight line basis from the acquisition date over the remaining term of the obligation or, at the Holder's election, under a constant yield method. A Holder that acquired an Old Note at a

market discount previously may have elected to include the market discount in income as it accrued over the term of the note.

A holder that acquires a debt instrument at a market discount generally is required to treat any gain realized on the disposition of the instrument as ordinary income to the extent of accrued market discount not previously included in gross income by the holder. However, special rules apply to the disposition of a market discount obligation in certain types of non-recognition transactions, such as a recapitalization. Under these rules, a Holder that acquired an Old Subordinated Note at a market discount generally should not be required to recognize any accrued market discount as income at the time of the exchange of Old Subordinated Notes for New Common Stock. Rather, on a subsequent taxable disposition of the New Common Stock received in the exchange, any gain realized by the Holder on a disposition of the Stock will be ordinary income to extent of the market discount accrued on the Old Subordinated Note prior to the exchange.

*Amortizable Bond Premium.* If a Holder's initial tax basis in an Old Subordinated Note was greater than the sum of all amounts payable on the Note (other than payments of qualified stated interest) after the acquisition date, the Holder generally will be considered to have acquired the Note with amortizable bond premium. A Holder that acquired an Old Subordinated Note at a premium previously may have elected to amortize the premium over the term of the Note. A Holder that elected to amortize bond premium on an Old Subordinated Note should have reduced its tax basis in the Note by the amount of amortized bond premium used to offset interest income and may, in certain circumstances, be entitled to a deduction for any unamortized bond premium in the taxable year of the exchange.

### 6. Information Reporting and Backup Withholding

The Reorganized Debtors (or their paying agent) may be obligated to furnish information to the IRS regarding the consideration received by Holders (other than corporations and other exempt Holders) pursuant to the Plan. In addition, the Reorganized Debtors will be required to report annually to the IRS with respect to each Holder (other than corporations and other exempt Holders) the amount of interest paid and OID accrued on the New Notes, the amount of dividends paid on the New Common Stock, and the amount of any tax withheld from payment thereof.

Holders may be subject to backup withholding (currently, at a rate of 28%) on the consideration received pursuant to the Plan. Backup withholding may also apply to interest, OID and principal payments on the New Notes, dividends paid on the New Common Stock and proceeds received upon sale or other disposition of the New Notes or New Common Stock. Certain Holders (including corporations) generally are not subject to backup withholding. A Holder that is not otherwise exempt generally may avoid backup withholding by furnishing to the Reorganized Debtors (or their paying agent) its taxpayer identification number and certifying, under penalties of perjury, that the taxpayer identification number provided is correct and that the Holder has not been notified by the IRS that it is subject to backup withholding.

Backup withholding is not an additional tax. Taxpayers may use amounts withheld as a credit against their federal income tax liability or may claim a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

THE FOREGOING DISCUSSION OF FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. EACH HOLDER SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE PLAN DESCRIBED HEREIN. NEITHER THE PROPONENTS NOR THEIR PROFESSIONALS WILL HAVE ANY LIABILITY TO ANY PERSON OR HOLDER ARISING FROM OR RELATED TO THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE PLAN OR THE FOREGOING DISCUSSION.

## RECOMMENDATION

In the opinion of the Debtors, the Plan is preferable to the alternatives described in this Disclosure Statement because it provides for a larger distribution to the Debtors' creditors and interest holders than would otherwise result in a liquidation under chapter 7 of the Bankruptcy Code. In addition, any alternative other than confirmation of the Plan could result in extensive delays and increased administrative expenses resulting in smaller distributions to Holders of Allowed Claims and Allowed Equity Interests than that which is proposed under the Plan. Accordingly, the Debtors recommend that Holders of Claims and Equity Interests entitled to vote on the Plan support confirmation of the Plan and vote to accept the Plan.

Respectfully submitted,

/s/ _____

Accuride Corporation, on behalf of itself and its direct and indirect subsidiaries listed below

By: _____

Title: _____

Dated: _____ ____, 2009

Accuride Cuyahoga Falls, Inc., a Delaware corporation
Accuride Distributing, LLC, a Delaware limited liability company
Accuride EMI, LLC, a Delaware limited liability company
Accuride Erie L.P., a Delaware limited partnership
Accuride Henderson Limited Liability Company, a Delaware limited liability company
AKW General Partner L.L.C., a Delaware limited liability company
AOT Inc., a Delaware corporation
Bostrom Holdings, Inc., a Delaware corporation
Bostrom Seating, Inc., a Delaware corporation
Bostrom Specialty Seating, Inc., a Delaware corporation
Brillion Iron Works, Inc., a Delaware corporation
Erie Land Holding, Inc., a Delaware corporation
Fabco Automotive Corporation, a Delaware corporation
Gunite Corporation, a Delaware corporation
Imperial Group Holding Corp. -1, a Delaware corporation
Imperial Group Holding Corp. -2, a Delaware corporation
Imperial Group, L.P., a Delaware limited partnership
JAII Management Company, a Delaware corporation
Transportation Technologies Industries, Inc., a Delaware corporation
Truck Components Inc., a Delaware corporation

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## SCHEDULE 1

The Debtors

The Debtors, along with the last four digits of each Debtor's federal tax identification number, are: Accuride Corporation, a Delaware corporation (9077); Accuride Cuyahoga Falls, Inc., a Delaware corporation (9556); Accuride Distributing, LLC, a Delaware limited liability company (3124); Accuride EMI, LLC, a Delaware limited liability company (N/A); Accuride Erie L.P., a Delaware limited partnership (4862); Accuride Henderson Limited Liability Company, a Delaware limited liability company (8596); AKW General Partner L.L.C., a Delaware limited liability company (4861); AOT Inc., a Delaware corporation (3088); Bostrom Holdings, Inc., a Delaware corporation (9282); Bostrom Seating, Inc., a Delaware corporation (7179); Bostrom Specialty Seating, Inc., a Delaware corporation (4182); Brillion Iron Works, Inc., a Delaware corporation (6942); Erie Land Holding, Inc., a Delaware corporation (8018); Fabco Automotive Corporation, a Delaware corporation (9802); Gunite Corporation, a Delaware corporation (9803); Imperial Group Holding Corp. -1, a Delaware corporation (4007); Imperial Group Holding Corp. -2, a Delaware corporation (4009); Imperial Group, L.P., a Delaware limited partnership (4012); JAII Management Company, a Delaware corporation (N/A); Transportation Technologies Industries, Inc., a Delaware corporation (2791); and Truck Components Inc., a Delaware corporation (5407).

**IN THE UNITED STATES BANKRUPTCY COURT**
**FOR THE DISTRICT OF DELAWARE**

| | | |
|---|---|---|
| **In re:** | ) | **Chapter 11** |
| **ACCURIDE CORPORATION, *et al.*,[1]** | ) | **Case No. 09-13449 (BLS)** |
| **Debtors.** | ) | |

# JOINT PLAN OF REORGANIZATION FOR ACCURIDE CORPORATION, *et al.*


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Counsel for the Debtors and Debtors-in-Possession


Dated: November 17, 2009

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Accuride Corporation, a Delaware corporation (9077); Accuride Cuyahoga Falls, Inc., a Delaware corporation (9556); Accuride Distributing, LLC, a Delaware limited liability company (3124); Accuride EMI, LLC, a Delaware limited liability company (N/A); Accuride Erie L.P., a Delaware limited partnership (4862); Accuride Henderson Limited Liability Company, a Delaware limited liability company (8596); AKW General Partner L.L.C., a Delaware limited liability company (4861); AOT Inc., a Delaware corporation (3088); Bostrom Holdings, Inc., a Delaware corporation (9282); Bostrom Seating, Inc., a Delaware corporation (7179); Bostrom Specialty Seating, Inc., a Delaware corporation (4182); Brillion Iron Works, Inc., a Delaware corporation (6942); Erie Land Holding, Inc., a Delaware corporation (8018); Fabco Automotive Corporation, a Delaware corporation (9802); Gunite Corporation, a Delaware corporation (9803); Imperial Group Holding Corp. -1, a Delaware corporation (4007); Imperial Group Holding Corp. -2, a Delaware corporation (4009); Imperial Group, L.P., a Delaware limited partnership (4012); JAII Management Company, a Delaware corporation (N/A); Transportation Technologies Industries, Inc., a Delaware corporation (2791); and Truck Components Inc., a Delaware corporation (5407). The mailing address for Accuride Corporation is 7140 Office Circle, Evansville, Indiana 47715.

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## EXHIBITS

## PLAN SCHEDULES

# JOINT PLAN OF REORGANIZATION FOR ACCURIDE CORPORATION, et al.

Accuride Corporation, a Delaware corporation ("**Accuride**"), and each of the other debtors and debtors-in-possession listed on Plan Schedule 1 hereto, propose the following joint plan of reorganization (the "**Plan**") for the resolution of the outstanding Claims (as defined below) against, and Equity Interests (as defined below) in, the Debtors (defined below). The Debtors are the proponents of this Plan within the meaning of section 1129 of the Bankruptcy Code (as defined below). Reference is made to the Disclosure Statement (as such term is defined herein and distributed contemporaneously herewith) for a discussion of the Debtors' history, business, results of operations, historical financial information, accomplishments during the Chapter 11 Cases (as defined below), projections and properties, and for a summary and analysis of this Plan and the treatment provided for herein. There also are other agreements and documents, which are or will be filed with the Bankruptcy Court (as defined below), that are referenced in this Plan, the Plan Supplement or the Disclosure Statement as Exhibits and Plan Schedules. All such Exhibits and Plan Schedules are incorporated into and are a part of this Plan as if set forth in full herein. Subject to certain restrictions and requirements set forth in 11 U.S.C. § 1127 and Fed. R. Bankr. P. 3019, the Debtors reserve the right to alter, amend, modify, revoke or withdraw this Plan prior to its substantial consummation.

The Plan is premised on the substantive consolidation of the Debtors with respect to the voting and treatment of all Claims and Equity Interests other than Other Secured Claims and Secured Tax Claims, as provided below. The Plan does not contemplate substantive consolidation of the Debtors with respect to Other Secured Claims and Secured Tax Claims, which claims shall apply separately with respect to each Plan proposed by each Debtor. If the Plan cannot be confirmed as to some or all of the Debtors, (a) in the Debtors' sole discretion, the Plan may be revoked as to all of the Debtors, or (b) the Debtors may revoke the Plan as to any Debtor not satisfying the cramdown requirements of Section 1129(b)(7) of the Bankruptcy Code (and any such Debtor's Chapter 11 Case may be converted to a chapter 7 liquidation, continued or dismissed in the Debtors' sole discretion) and confirm the Plan as to the remaining Debtors.

## ARTICLE I.

## RULES OF INTERPRETATION, COMPUTATION OF TIME, GOVERNING LAW AND DEFINED TERMS

### *A. Rules of Interpretation, Computation of Time and Governing Law*

For purposes herein: (a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and the neuter gender; (b) any reference herein to a contract, lease, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (c) any reference herein to an existing document or exhibit having been Filed or to be Filed shall mean that document or exhibit, as it may thereafter be amended, modified or supplemented; (d) unless otherwise specified, all references herein to "Articles", "Sections",

"Exhibits" and "Plan Schedules" are references to Articles, Sections, Exhibits and Plan Schedules hereof or hereto; (e) unless otherwise stated, the words ''herein,'' "hereof," "hereunder" and ''hereto'' refer to this Plan in its entirety rather than to a particular portion of this Plan; (f) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (g) any reference to an Entity as a Holder of a Claim or Equity Interest includes such Entity's successors and assigns; (h) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; and (i) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be. The provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein.

*B. Defined Terms*

Unless the context otherwise requires, the following terms shall have the following meanings when used in capitalized form herein:

1. "*Accrued Professional Compensation*" means, with respect to a particular Professional, an Administrative Claim of such Professional for compensation for services rendered or reimbursement of costs, expenses or other charges incurred after the Petition Date and prior to and including the Effective Date (including, without limitation, expenses of the members of the Committee incurred as members of the Committee in discharge of their duties as such).

2. *"Accuride"* means, Accuride Corporation, a Delaware corporation.

3. *"Accuride Canada"* means, Accuride Canada Inc., a corporation existing under the law of the Province of Ontario.

4. *"Accuride Other Equity Interests"* means all Equity Interests in Accuride other than the Accuride Preferred Equity Interests.

5. *"Accuride Preferred Equity Interests"* means the Equity Interests in Accuride evidenced by the Accuride Series A Preferred Stock, par value $0.01 per share.

6. "*Ad Hoc Noteholders Group*" means that certain ad hoc group of Holders of the Subordinated Notes as of the Petition Date, whose membership consists of Blackrock Financial Management, Inc., Brigade Capital Management, LLC, Canyon Capital Advisors LLC, Principal Global Investors LLC, Sankaty Advisors, LLC and Tinicum Incorporated (or their respective affiliates).

7. "*Ad Hoc Noteholders Group Fees and Expenses*" means all unpaid reasonable and documented fees and out-of-pocket expenses of the Ad Hoc Noteholders Group incurred in connection with the Chapter 11 Cases, including, but not limited to, the reasonable and documented fees and out-of-pocket expenses of the Ad Hoc Noteholders Group Professionals, the Backstop Fee, the Transaction Fees and fees and expenses included within the DIP Facility Claim.

8. *"Ad Hoc Noteholders Group Professionals"* means, collectively, Milbank, Tweed, Hadley & McCloy LLP, Rothschild, Inc. and Pachulski Stang Ziehl & Jones.

9. *"Administrative Claim"* means a Claim for costs and expenses of administration of the Chapter 11 Cases that is Allowed under section 503(b), 507(b), or 1114(e)(2) of the Bankruptcy Code, including, without limitation: (a) any actual and necessary costs and expenses incurred after the Petition Date of preserving the Estates and operating the businesses of the Debtors (such as wages, salaries, and commissions for services and payments for inventory, leased equipment, and leased premises); (b) Accrued Professional Compensation and any other compensation for legal, financial, advisory, accounting, and other services and reimbursement of expenses Allowed by the Bankruptcy Court under section 327, 328, 330, 331, 363, or 503(b) of the Bankruptcy Code to the extent incurred prior to the Effective Date; (c) all fees and charges assessed against the Estates under section 1930, chapter 123, of title 28, United States Code; (d) the DIP Facility Claims, including, without limitation, the fees and expenses of the DIP Agent and the DIP Lenders, including their respective professional and advisory fees and expenses; (e) the Allowed Indenture Trustee Fees; (f) the Backstop Fee and (g) the Ad Hoc Noteholders Group Fees and Expenses.

10. *"Administrative Claims Bar Date"* means the Business Day which is sixty (60) days after the Effective Date or such other date as approved by order of the Bankruptcy Court.

11. *"Administrative, Collateral and Other Agents"* means, in its respective capacities as such, Deutsche Bank Trust Company Americas, the administrative agent and collateral agent for or under the DIP Facility and the Prepetition Credit Facility and, in their respective capacities as such, each other agent, arranger and bookrunner under the DIP Facility and the Prepetition Credit Facility, and, in each case, each of their respective successors.

12. *"Affiliate"* means an "affiliate" as defined in section 101(2) of the Bankruptcy Code.

13. *"Allowed"* means, with respect to any Claim or Equity Interest, except as otherwise provided herein, any of the following: (a) a Claim or Equity Interest that has been scheduled by the Debtors in their Schedules as other than disputed, contingent or unliquidated and as to which (i) the Debtors or any other party in interest have not filed an objection by the date set forth in the Disclosure Statement Order and (ii) no contrary Proof of Claim has been filed; (b) a Claim or Equity Interest or any portion thereof that either is not a Disputed Claim or Equity Interest or has been allowed by a Final Order; (c) a Claim that is allowed: (i) in any stipulation with the Debtors of the amount and nature of such Claim executed prior to the Confirmation Date and approved by the Bankruptcy Court; (ii) in any stipulation with the Debtors of the amount and nature of such Claim executed on or after the Confirmation Date and, to the extent necessary, approved by the Bankruptcy Court; or (iii) in any contract, instrument, indenture or other agreement entered into or assumed in connection with the Plan; (d) a Claim relating to a rejected executory contract or unexpired lease that (i) is not a Disputed Claim or (ii) has been allowed by a Final Order; or (f) a Claim or Equity Interest that is allowed pursuant to the terms of the Plan.

14. "*Allowed _____ Claim or Equity Interest*" means an Allowed Claim or Equity Interest of the type described.

15. "*Amended Organizational Documents*" means the amended and restated certificate of incorporation and by-laws or other applicable organizational documents of the Reorganized Debtors in substantially the form attached to this Plan as Exhibits A1-A[___] or Filed with the Plan Supplement.

16. "*Avoidance Actions*" means any and all avoidance, recovery, subordination or other actions or remedies that may be brought by and on behalf of the Debtors or their Estates under the Bankruptcy Code or applicable non-bankruptcy law, including, without limitation, actions or remedies arising under sections 502, 510 or 542-553 of the Bankruptcy Code.

17. "*Backstop Commitment*" means the agreement by each Backstop Investor pursuant to the Backstop Commitment Agreement to purchase its Backstop Proportion of all of the Rights Offering Notes that are not purchased by the Rights Offering Participants as part of the Rights Offering.

18. "*Backstop Commitment Agreement*" means the Convertible Notes Commitment Agreement dated as of October 7, 2009 attached to this Plan as Exhibit B.

19. "*Backstop Commitment Agreement Assumption Order*" means that certain *Order Authorizing the Debtors to (I) Assume the Convertible Notes Commitment Agreement and (II) Pay and Reimburse Certain Fees and Expenses Incurred in Connection Therewith, including, without Limitation, the Backstop Fee, Transaction Expenses and Termination Fee*, entered by the Bankruptcy Court on November 2, 2009, [Docket No. 167], as such order may be amended from time to time.

20. "*Backstop Fee*" means collectively, (a) the "Stock Backstop Fee" as defined in Section 2 of the Backstop Commitment Agreement in the amount of 4% of all of the outstanding New Common Stock on the Effective Date (taking into account assumed conversion of the New Notes, but subject to dilution as a result of (i) the exercise of the New Warrants and (ii) the Equity Incentive Program) and (b) the "Cash Backstop Fee" as defined in Section 2 of the Backstop Commitment Agreement in the amount of $5.6 million, which shall be released to the Backstop Investors (A) upon the issuance of the New Notes on the Effective Date, in the form of shares of New Common Stock representing 4% of all of the outstanding New Common Stock on the Effective Date (taking into account assumed conversion of the New Notes, but subject to dilution as a result of (i) the exercise of the New Warrants and (ii) the Equity Incentive Program) or (B) in the form of a superpriority Administrative Claim if the Backstop Commitment Agreement is terminated as set forth in the Backstop Commitment Agreement and/or the Backstop Commitment Agreement Assumption Order. For the avoidance of doubt, based on the foregoing calculations, (a) if Class 10 votes to accept the Plan, the Backstop Fee will be paid in an aggregate of [25,000,000] shares of New Common Stock on the Effective Date, assuming the entire Backstop Fee is paid in New Common Stock and (b) if Class 10 votes to reject the Plan, the Backstop Fee will be paid in an aggregate of [24,500,000] shares of New Common Stock on the Effective Date, assuming the entire Backstop Fee is paid in New Common Stock.

21. "*Backstop Investors*" means those certain parties signatories to the Backstop Commitment Agreement, which parties are Blackrock Financial Management, Inc., Brigade Capital Management, LLC, Sankaty Advisors, LLC and Tinicum Lantern L.L.C, or their respective affiliates.

22. "*Backstop Proportion*" means the portion of the Backstop Commitment committed to by each Backstop Investor as set forth on Schedule A to the Backstop Commitment Agreement.

23. *"Backstop Transaction Expenses"* means the "Transaction Expenses" as defined in Section 2(c) of the Backstop Commitment Agreement.

24. *"Ballots"* means the ballots accompanying the Disclosure Statement upon which certain Holders of Impaired Claims (modified, as necessary, based on voting party in accordance with the Disclosure Statement Order) entitled to vote shall, among other things, indicate their acceptance or rejection of this Plan, which includes the Master Ballots and Beneficial Holder Ballots, which were approved by the Disclosure Statement Order.

25. *"Bankruptcy Code"* means Title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as amended from time to time and as applicable to the Chapter 11 Cases.

26. *"Bankruptcy Court"* means the United States Bankruptcy Court for the District of Delaware, or any other court having jurisdiction over the Chapter 11 Cases.

27. "*Bankruptcy Rules*" means the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court, in each case as amended from time to time and as applicable to the Chapter 11 Cases.

28. *"Beneficial Holder"* means, as of the applicable date of determination, a beneficial owner of the Subordinated Notes or Equity Interests as reflected in the records maintained by the Registered Record Owner or Intermediary Record Owner, as applicable.

29. *"Beneficial Holder Ballots"* means the ballots accompanying the Disclosure Statement upon which Beneficial Holders of Class 7 Subordinated Note Claims and Class 10 Accuride Other Equity Interests entitled to vote shall, among other things, indicate their acceptance or rejection of the Plan in accordance with the Plan and the procedures governing the solicitation process.

30. "*Business Day*" means any day, other than a Saturday, Sunday or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

31. "*Cash*" means the legal tender of the United States of America or the equivalent thereof.

32. "*Cash Backstop Fee*" shall have the meaning ascribed to it in the Backstop Commitment Agreement.

33. "*Causes of Action*" means any claims, causes of action (including Avoidance Actions), demands, actions, suits, obligations, liabilities, cross-claims, counter-claims, offsets, or setoffs of any kind or character whatsoever, in each case whether known or unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, foreseen or unforeseen, direct or indirect, choate or inchoate, existing or hereafter arising, in contract, in tort, in law, or in equity, or pursuant to any other theory of law, whether asserted or assertable directly or derivatively in law or equity or otherwise by way of claim, counterclaim, cross-claim, third party action, action for indemnity or contribution or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Effective Date.

34. "*Chapter 11 Cases*" means the chapter 11 bankruptcy cases commenced by the Debtors on the Petition Date in the Bankruptcy Court.

35. "*Claim*" means any "claim" against any Debtor as defined in section 101(5) of the Bankruptcy Code.

36. "*Claims Bar Date*" means _____ __, 2009, or such other date by which Claims and Equity Interests must be Filed, as ordered by the Bankruptcy Court.

37. *"Claims Objection Bar Date"* means, for each Claim and Equity Interest that is not otherwise allowed under this Plan or by prior order of the Bankruptcy Court, the later of (a) sixty (60) days after the Effective Date; (b) sixty (60) days after the Filing of a Proof of Claim for, or request for payment of, such Claim or Equity Interest and (c) such other date as may be specifically fixed by an order of the Bankruptcy Court for objecting to such Claim or Equity Interest.

38. *"Claims Register"* means the official register of Claims maintained by the Voting and Claims Agent.

39. "*Class*" means a category of Holders of Claims or Equity Interests as set forth in Article III hereof pursuant to section 1122(a) of the Bankruptcy Code.

40. "*Collateral*" means any property or interest in property of any Debtor's Estate that is subject to a valid and enforceable Lien to secure a Claim.

41. *"Committee"* means the official committee of unsecured creditors of the Debtors appointed by the United States Trustee in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code, as reconstituted from time to time.

42. *"Committee Members"* means the members of the Committee, namely: The Bank of New York Mellon Trust Company, N.A., Ryerson, Dawlen Corporation, B&D Thread Rolling, Inc. and Church Electric, and in the case of each of the foregoing, their respective successors and assigns.

43. "*Confirmation Date*" means the date on which the clerk of the Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court.

44. *"Confirmation Hearing"* means the hearing held by the Bankruptcy Court pursuant to section 1128 of the Bankruptcy Code to consider confirmation of this Plan, as such hearing may be adjourned or continued from time to time.

45. *"Confirmation Order"* means the order of the Bankruptcy Court confirming this Plan pursuant to section 1129 of the Bankruptcy Code.

46. *"Consummation"* means the occurrence of the Effective Date.

47. *"Debtor(s)"* means individually, Accuride and each of its subsidiaries listed on Plan Schedule 1 hereto, and, collectively, Accuride and all of its subsidiaries listed on Plan Schedule 1 hereto, in each case, in their capacities as debtors in these Chapter 11 Cases.

48. *"Debtor(s) in Possession"* means, individually, each Debtor, as debtor in possession in these Chapter 11 Cases and, collectively, all Debtors, as debtors in possession in these Chapter 11 Cases.

49. *"DIP Agent"* means Deutsche Bank Trust Company Americas, in its capacity as administrative agent and collateral agent under the DIP Facility, and any successors thereto.

50. *"DIP Facility"* means that certain $50 million senior secured superpriority post-petition credit facility made available to Accuride pursuant to the DIP Credit Agreement and the DIP Orders.

51. *"DIP Facility Claim"* means any Claim of the DIP Agent, any DIP Lender or any other "DIP Secured Party" (as defined in the DIP Orders) arising from, under or in connection with the DIP Facility (including, without limitation, any and all "Obligations" as defined in the DIP Facility Credit Agreement), the other "Loan Documents" as defined therein and/or the DIP Orders, including in respect of all "DIP Obligations" as defined in the DIP Orders.

52. *"DIP Facility Credit Agreement"* means that certain Senior Secured Superpriority Debtor-In-Possession Credit Agreement, dated as of October 9, 2009, among Accuride, as borrower, the other Debtors, as guarantors, the DIP Lenders, and the DIP Agent (as amended, waived, supplemented, refinanced and as otherwise modified from time to time).

53. *"DIP Lenders"* means the banks, financial institutions and other parties identified as "Secured Parties" in the DIP Facility Credit Agreement or "DIP Secured Parties" in the DIP Orders from time to time.

54. *"DIP Orders"* means, collectively, the Interim DIP Order and Final DIP Order.

55. *"Disclosure Statement"* means that certain Disclosure Statement for Joint Plan of Reorganization for Accuride Corporation, et al. under Chapter 11 of the Bankruptcy Code, as amended, supplemented, or modified from time to time, that was approved by the Disclosure Statement Order and describes this Plan, including all exhibits and schedules thereto and references therein that relate to this Plan.

56. "*Disclosure Statement Order*" means that certain *Order (A) Approving the Disclosure Statement, (B) Establishing the Voting Record Date, Voting Deadline, and Other Dates, (C) Approving Procedures for Soliciting, Receiving and Tabulating Votes on the Plan and for Filing Objections to the Plan and (D) Approving the Manner and Forms of Notice and Other Related Documents,* entered by the Bankruptcy Court on December __, 2009 [Docket No. ___], as the order may be amended from time to time.

57. *"Disputed Claim or Equity Interest"* means a Claim or Equity Interest, or any portion thereof: (a) listed on the Schedules, as unliquidated, disputed or contingent; (b) that is the subject of an objection or request for estimation filed or is otherwise disputed by any of the Debtors or any other party in interest in accordance with applicable law and which objection has not been withdrawn, resolved, or overruled by a Final Order of the Bankruptcy Court; or (c) that is otherwise disputed by any of the Debtors or any other party in interest in accordance with applicable law, which dispute has not been withdrawn, resolved, or overruled by Final Order.

58. "*Distribution Agent*" means Reorganized Accuride or any party designated by Reorganized Accuride to serve as distribution agent under this Plan. For purposes of distributions under this Plan to the Holders of Allowed DIP Facility Claims and Allowed Prepetition Credit Facility Claims, the DIP Agent and the Prepetition Agent, respectively, will be and shall act as the Distribution Agent.

59. *"Distribution Record Date"* means the date for determining which Holders of Claims and Equity Interests are eligible to receive distributions hereunder and shall be the Voting Deadline or such other date as designated in an order of the Bankruptcy Court.

60. *"D&O Liability Insurance Policies"* means all insurance policies for directors and officers' liability maintained by the Debtors as of the Petition Date.

61. "*Effective Date*" means the Business Day that this Plan becomes effective as provided in Article IX hereof.

62. "*Entity*" means an "entity" as defined in section 101(15) of the Bankruptcy Code.

63. *"Equity Incentive Program"* means a post-Effective Date director and employee equity incentive program providing for the issuance from time to time of shares of the New Common Stock of Accuride, including the grant of incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended.

64. "*Equity Interest*" means (a) any Equity Security in any Debtor, including, without limitation, all issued, unissued, authorized or outstanding shares of stock, together with (i) any options, warrants or contractual rights to purchase or acquire any such Equity Securities at any time with respect to such Debtor, and all rights arising with respect thereto and (ii) the rights of any Entity to purchase or demand the issuance of any of the foregoing and shall include: (1) conversion, exchange, voting, participation, and dividend rights; (2) liquidation preferences; (3) options, warrants, and put rights; and (4) stock-appreciation rights, and (b) any Claim against such Debtor subordinated pursuant to section 510(b) of the Bankruptcy Code, in each case as in existence immediately prior to the Effective Date.

65. "*Equity Security*" means an "equity security" as defined in section 101(16) of the Bankruptcy Code.

66. "*Estates*" means the bankruptcy estates of the Debtors created by virtue of section 541 of the Bankruptcy Code upon the commencement of the Chapter 11 Cases.

67. "*Exchange Act*" means the Securities Exchange Act of 1934, 15 U.S.C. §§ 78a *et seq.*, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder, and any similar federal, state or local law.

68. "*Exculpated Parties*" means, collectively: (a) the Debtors; (b) the Reorganized Debtors; (c) the Committee and the members thereof in their capacity as such; (d) the Ad Hoc Noteholders Group and the members thereof in their capacity as such; (e) the DIP Lenders; (f) the Prepetition Lenders; (g) the Backstop Investors; (h) the Administrative, Collateral and Other Agents; and (i) the Indenture Trustee, and the respective Related Persons of each of the foregoing Entities; provided however, that no Non-Released Party will be an Exculpated Party.

69. "*Exculpation*" means the exculpation provision set forth in Article X.D hereof.

70. "*Executory Contract*" means a contract to which any Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

71. "*Exhibit*" means an exhibit annexed to either this Plan or as an appendix to the Disclosure Statement (as such exhibits are amended, modified or otherwise supplemented from time to time).

72. *"File"* or *"Filed"* or *"Filing"* means file, filed or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.

73. "*Final DIP Order*" means that certain *Final Order Pursuant to Sections 361, 362, 363 and 364 of the Bankruptcy Code and Rule 4001 of the Federal Rules of Bankruptcy Procedure Authorizing the Debtors to (I) Use Cash Collateral of the Prepetition Secured Parties, (II) Obtain Postpetition Financing and (III) Provide Adequate Protection to the Prepetition Secured Parties,* entered by the Bankruptcy Court on November 2, 2009 [Docket No. 182], as such order may be amended from time to time.

74. "*Final Order*" means an order of the Bankruptcy Court as to which the time to appeal, petition for *certiorari*, or move for a new trial, reargument or rehearing has expired and as to which no appeal, petition for *certiorari*, or other proceedings for a new trial, reargument or rehearing shall then be pending or as to which any right to appeal, petition for *certiorari*, new trial, reargue, or rehear shall have been waived in writing in form and substance satisfactory to the Debtors or the Reorganized Debtors, or, in the event that an appeal, writ of *certiorari*, new trial, reargument, or rehearing thereof has been sought, no stay pending appeal has been granted or such order of the Bankruptcy Court shall have been determined by the highest court to which such order was appealed, or *certiorari*, new trial, reargument or rehearing shall have been denied and the time to take any further appeal, petition for *certiorari*, or move for a new trial, reargument or rehearing shall have expired; provided, however, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the

Bankruptcy Rules, may be filed with respect to such order shall not preclude such order from being a Final Order.

75. "*General Unsecured Claim*" means any Claim against any Debtor that is not a/an: (a) DIP Facility Claim; (b) Administrative Claim; (c) Priority Tax Claim; (d) Secured Tax Claim, (e) Other Priority Claim; (e) Other Secured Claim; (f) Prepetition First Out Credit Agreement Claim; (g) Prepetition Last Out Credit Agreement Claim; (h) Subordinated Notes Claim, (i) Intercompany Claim or (j) Equity Interest.

76. "*Governmental Unit*" means a "governmental unit" as defined in section 101(27) of the Bankruptcy Code.

77. "*Holder*" means an Entity holding a Claim against, or Equity Interest in, any Debtor and, with respect to the Subordinated Notes Claims, the Beneficial Holder thereof as of the applicable date of determination or any authorized agent of such Entity who has completed and executed a Ballot or on whose behalf a Master Ballot has been completed and executed in accordance with the voting instructions that are attached to the Ballot or Master Ballot, as applicable.

78. "*Impaired*" means, when used in reference to a Claim or Equity Interest, a Claim or Equity Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.

79. "*Indemnification Provision*" means each of the indemnification provisions currently in place (whether in the bylaws, certificates of incorporation, board resolutions, employment contracts or otherwise) for the current and former directors, officers, employees, attorneys, other professionals and agents of the Debtors who served in such capacity on or any time after the Petition Date.

80. "*Indemnified Parties*" means, collectively, each Debtor and each of its officers, directors and employees, each in their respective capacities as such and solely to the extent that each such party was serving in such capacity on or any time after the Petition Date; provided however, that no Non-Released Party will be an Indemnified Party.

81. "*Indenture*" means that certain indenture governing the Subordinated Notes, dated as of January 31, 2005, (as amended, waived, supplemented, refinanced and as otherwise modified from time to time) between Accuride, as issuer, certain guarantors, and the Indenture Trustee.

82. "*Indenture Trustee*" means The Bank of New York Mellon Trust Company, N.A., in its capacity as indenture trustee for the Subordinated Notes, or any successor trustee.

83. "*Indenture Trustee Fees*" means the reasonable fees and reasonable unpaid out-of-pocket costs and expenses incurred by the Indenture Trustee through the Effective Date in accordance with the Indenture.

84. "*Initial Distribution Date*" means, subject to the "Treatment" sections in Article III hereof, the date that is as soon as practicable after the Effective Date, when distributions under this Plan shall commence to Holders of Allowed Claims and Equity Interests.

85. "*Intercompany Claims*" means any Claims of a Debtor against any other Debtor.

86. "*Interim DIP Order*" means that certain *Interim Order Pursuant to Sections 361, 362, 363 and 364 of the Bankruptcy Code and Rule 4001 of the Federal Rules of Bankruptcy Procedure (A) Authorizing the Debtors to (I) Use Cash Collateral of the Prepetition Secured Parties, (II) Obtain Postpetition Financing and (III) Provide Adequate Protection to the Secured Parties, and (B) Providing Notice and Scheduling Final Hearing,* entered by the Bankruptcy Court on October 9, 2009 [Docket No. 34].

87. "*Intermediary Record Owners*" means, as of the applicable date of determination, the banks, brokerage firms, or the agents thereof as the Entity through which the Beneficial Holders hold the Subordinated Notes or Accuride Other Equity Interests, as applicable.

88. "*Lien*" means a "lien" as defined in section 101(37) of the Bankruptcy Code, and, with respect to any asset, includes, without limitation, any mortgage, lien, pledge, charge, security interest or other encumbrance of any kind, or any other type of preferential arrangement that has the practical effect of creating a security interest, in respect of such asset.

89. "*Litigation Claims*" means the claims, rights of action, suits or proceedings, whether in law or in equity, whether known or unknown, that any Debtor or Estate may hold against any Entity, including, without limitation, the Causes of Action of the Debtors. A non-exclusive list of the Litigation Claims held by the Debtors as of the Effective Date is attached hereto as Plan Schedule 2 or Filed with the Plan Supplement, which shall be deemed to include any derivative actions filed against the Debtors as of the Effective Date and any Causes of Action against any Non-Released Party.

90. "*Local Rules*" means the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware.

91. "*Master Ballots*" means the ballot distributed to the Registered Record Owners or Intermediary Record Owners, as applicable, of the Subordinated Notes and Accuride Other Equity Interests to record the votes of the Beneficial Holders of the Subordinated Notes and Accuride Other Equity Interests as of the Voting Record Date applicable to Subordinated Notes Claims and Accuride Other Equity Interests.

92. "*New Board*" means the initial board of directors of Reorganized Accuride.

93. "*New Common Stock*" means the shares of common stock or other equity securities of Reorganized Accuride authorized to be issued pursuant to this Plan and the Amended Organizational Documents.

94. "*New Indenture*" means the indenture pursuant to which the New Notes will be issued on the Effective Date, in substantially the form attached to this Plan as Exhibit C or Filed with the Plan Supplement.

95. "*New Notes*" means the 7.5% Senior Convertible Notes due 2020 in the aggregate principal amount of $140 million to be issued by Accuride to the Rights Offering Purchasers and/or the Backstop Investors pursuant to the Rights Offering, the Backstop Commitment

Agreement and this Plan, the terms of which are described in the term sheet attached hereto as Exhibit D or Filed with the Plan Supplement. On the Effective Date, the New Notes will be convertible into an aggregate of (i) [187,500,000] shares of New Common Stock of Reorganized Accuride, if the Holders of Accuride Other Equity Interests vote to accept the Plan, and (ii) [183,750,000] shares of New Common Stock, if the Holders of Accuride Other Equity Interests do not vote to accept the Plan. If the Holders of Accuride Other Equity Interests vote to accept the Plan and the New Warrants issued under the Plan are subsequently exercised in full in cash, the New Notes will be adjusted to be convertible into an aggregate of [220,588,235] shares of New Common Stock.

96. "*New Securities and Documents*" means collectively the Subscription Rights, the New Common Stock, the New Notes, the New Warrants and any and all other securities, notes, stock, instruments, certificates, and other documents or agreements required to be issued, executed or delivered pursuant to this Plan.

97. "*New Warrants*" means the Warrants to be issued by Reorganized Accuride pursuant to this Plan, substantially in the form of Exhibit E attached hereto or Filed with the Plan Supplement, exercisable for the an aggregate of [22,058,824] shares of New Common Stock at the strike price set forth in Exhibit E.

98. "*Non-Released Party*" means each of the Entities listed as Non-Released Parties on Plan Schedule 3 attached hereto or Filed with the Plan Supplement in the capacities set forth in Plan Schedule 3.

99. "*Non-Voting Classes*" means, collectively, Classes 1, 2, 3, 5, 6, 8, 9 and 11.

100. "*Noteholder Restructuring Support Agreement*" means that certain Restructuring Support Agreement, dated as of October 7, 2009, by and among Accuride Corporation and each of the holders of the Subordinated Notes party thereto a copy of which is attached as Exhibit B to the Declaration of James H. Woodward Jr. in Support of Chapter 11 Petitions and First Day Pleadings dated as of October 8, 2009 [Docket No. 3].

101. "*Ordinary Course Professionals Order*" means that certain *Order Authorizing the Debtors to Employ and Compensate Certain Professionals in the Ordinary Course of Business Nunc Pro Tunc to the Petition Date*, entered by the Bankruptcy Court on November 2, 2009 [Docket No. 168], as such order may be amended from time to time.

102. "*Other Priority Claim*" means any Claim accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than a Priority Tax Claim or an Administrative Claim.

103. "*Other Secured Claim*" means any Secured Claim other than an Administrative Claim, DIP Facility Claim, Secured Tax Claim, Prepetition First Out Credit Agreement Claim or Prepetition Last Out Credit Agreement Claim.

104. "*Person*" means a "person" as defined in section 101(41) of the Bankruptcy Code and also includes any natural person, corporation, general or limited partnership, limited liability

company, firm, trust, association, government, governmental agency or other Entity, whether acting in an individual, fiduciary or other capacity.

105. *"Petition Date"* means October 8, 2009, the date on which the Debtors commenced the Chapter 11 Cases.

106. "*Plan*" means this *Joint Plan of Reorganization of Accuride Corporation, et al.*, dated November 17, 2009, including the Exhibits and Plan Schedules and all supplements, appendices, and schedules thereto, either in its present form or as the same may be altered, amended, modified or otherwise supplemented from time to time.

107. "*Plan Schedule*" means a schedule annexed to either this Plan or as an appendix to the Disclosure Statement (as amended, modified or otherwise supplemented from time to time).

108. "*Plan Supplement*" means, collectively, the compilation of documents and forms of documents, and all exhibits, attachments, schedules, agreements, documents and instruments referred to therein, ancillary or otherwise, including, without limitation, the Exhibits and Plan Schedules, all of which are incorporated by reference into, and are an integral part of, this Plan, as all of the same may be amended, modified, replaced and/or supplemented from time to time, which shall be filed with the Bankruptcy Court on or before January 15, 2009.

109. "*Prepetition Agent*" means Deutsche Bank Trust Company Americas, in its capacity as administrative agent and/or collateral agent under the Prepetition Credit Agreement, and its successors.

110. *"Prepetition Credit Agreement"* means that certain Fourth Amended and Restated Credit Agreement, dated as of January 31, 2005, among Accuride and Accuride Canada, as borrowers, the Prepetition Lenders, the Prepetition Agent and certain other institutions, as agents, arrangers, bookrunners and issuing lenders, as the case may be (as amended, waived, supplemented, refinanced and as otherwise modified from time to time).

111. *"Prepetition Credit Facility Claim"* means any Prepetition First Out Credit Agreement Claim or any Prepetition Last Out Credit Agreement Claim.

112. "*Prepetition First Out Credit Agreement Claim*" means any Prepetition First Out Credit Agreement LC Claim or any Prepetition First Out Credit Agreement Other Claim.

113. "*Prepetition First Out Credit Agreement LC Claim*" means any contingent Claim of the Issuing Bank (as defined in the Prepetition Credit Agreement) for any Letter of Credit (as defined in the Prepetition Credit Agreement) that remains undrawn as of the Effective Date.

114. "*Prepetition First Out Credit Agreement Other Claim*" means any Claim of the Prepetition Agent or any Prepetition Lender against any Debtor for "First Out Loan Obligations;" as defined in the Prepetition Credit Agreement, including, without limitation, the "PIK Advances," but excluding the Prepetition Last Out Credit Agreement Claims and the Prepetition First Out Credit Agreement LC Claims.

115. "*Prepetition Lenders*" means the banks, financial institutions and other parties identified as "Secured Parties" in the Prepetition Credit Agreement from time to time.

116. "*Prepetition Last Out Credit Agreement Claim*" means any Claim of Sun Accuride Debt Investment, LLC or any other Prepetition Lender against any Debtor for "Last Out Loan Obligations," as defined in the Prepetition Credit Agreement. The Prepetition Last Out Credit Agreement Claim excludes "PIK Advances", which are classified as Prepetition First Out Credit Agreement Other Claims.

117. "*Prepetition Last Out Payment Amount*" means $70.1 million in Cash.

118. "*Priority Tax Claim*" means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

119. "*Professional*" means (a) any Entity employed in the Chapter 11 Cases pursuant to section 327, 363 or 1103 of the Bankruptcy Code or otherwise and (b) any Entity seeking compensation or reimbursement of expenses in connection with the Chapter 11 Cases pursuant to section 503(b)(4) of the Bankruptcy Code.

120. "*Professional Fee Claim*" means a Claim under sections 328, 330(a), 331, 363, 503 or 1103 of the Bankruptcy Code for Accrued Professional Compensation.

121. "*Professional Fees Bar Date*" means the Business Day that is sixty (60) days after the Effective Date or such other date as approved by order of the Bankruptcy Court.

122. "*Proof of Claim*" means a proof of Claim or Equity Interest Filed against any Debtor in the Chapter 11 Cases.

123. "*Pro Rata*" means the proportion that (a) the Allowed amount of a Claim or Equity Interest in a particular Class (or several Classes taken as a whole) bears to (b) the aggregate Allowed amount of all Claims or Equity Interests in such Class (or several Classes taken as a whole), unless this Plan provides otherwise.

124. "*Pro Rata Share of the Rights Offering Notes*" means, with respect to an applicable Rights Offering Participant, the proportion that (a) the Allowed amount of Subordinated Notes Claims held by such Rights Offering Participant bears to (b) the aggregate Allowed amount of all Subordinated Notes Claims.

125. "*Registered Record Owners*" means, as of the applicable date of determination, the respective owners of the Subordinated Notes or Accuride Other Equity Interests whose holdings thereof are in their own name on the books and records of Accuride.

126. "*Registration Agreement*" means the Registration Agreement, in substantially the forms attached to this Plan as Exhibit F or Filed with the Plan Supplement.

127. "*Reinstated*" means, with respect to any Claim, (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim entitles the holder of such Claim in accordance with Section 1124 of the Bankruptcy Code or (b) notwithstanding any contractual provision or

applicable law that entitles the holder of such Claim to demand or receive accelerated payment of such Claim after the occurrence of a default: (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) of the Bankruptcy Code expressly does not require to be cured; (ii) reinstating the maturity of such Claim as such maturity existed before such default; (iii) compensating the holder of such Claim for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim arises from any failure to perform a non-monetary obligation, other than a default arising from failure to operate a non-residential real property lease subject to section 365(b)(1)(A) of the Bankruptcy Code, compensating the Holder of such Claim (other than any Debtor or an insider of any Debtor) for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable, or contractual rights to which such Claim entitles the Holder of such Claim.

128. "*Related Persons*" means, with respect to any Person, such Person's predecessors, successors, assigns and present and former Affiliates (whether by operation of law or otherwise) and subsidiaries, and each of their respective current and former officers, directors, principals, employees, shareholders, members (including *ex officio* members), partners, agents, financial advisors, attorneys, accountants, investment bankers, investment advisors, consultants, representatives, and other professionals, in each case acting in such capacity on or any time after the Petition Date, and any Person claiming by or through any of them; provided, however, that no insurer of any Debtor and no Non-Released Party shall constitute a Related Person.

129. "*Release*" means the release given by the Releasing Parties to the Released Parties as set forth in Article X.B hereof.

130. "*Released Party*" means, collectively: (a) the Debtors; (b) the Reorganized Debtors; (c) the Committee and the members thereof in their capacity as such; (d) the Ad Hoc Noteholders Group and the members thereof in their capacity as such; (e) the DIP Lenders in their capacity as such; (f) the Prepetition Lenders in their capacity as such; (g) the Backstop Investors; (h) the Administrative, Collateral and Other Agents; and (i) the Indenture Trustee, and the respective Related Persons of each of the foregoing; provided however, that no Non-Released Party shall constitute a Released Party.

131. "*Releasing Party*" has the meaning set forth in Article X.B hereof.

132. "*Remaining Rights Offering Notes*" means those Rights Offering Notes that are not subscribed for pursuant to the Rights Offering prior to the expiration of the Subscription Deadline.

133. "*Reorganized Accuride*" means Accuride, as reorganized pursuant to this Plan on or after the Effective Date.

134. "*Reorganized Debtors*" means Reorganized Accuride and each other Debtor, as reorganized pursuant to this Plan on or after the Effective Date.

135. "*Required Noteholders*" shall have the meaning set forth in the Noteholder Restructuring Support Agreement.

136. "*Requisite Independent Supporting Lenders*" shall have the meaning ascribed to it in that certain Restructuring Support Agreement, dated as of October 7, 2009, by and among the Debtors and certain of the lenders party to the Prepetition Credit Agreement and attached as Exhibit B to the Declaration of James H. Woodward Jr. in Support of Chapter 11 Petitions and First Day Pleadings dated as of October 8, 2009 [Docket No. 3].

137. "*Restructured Credit Facility*" means that certain secured credit facility evidenced by the Restructured Credit Facility Agreement and the other "Loan Documents" (as defined therein), which amends, restates and supersedes in its entirety, the Prepetition Credit Facility evidenced by the Prepetition Credit Agreement and, as applicable, the other "Loan Documents" (as defined therein).

138. "*Restructured Credit Facility Agreement*" means, collectively, the Fifth Amended and Restated Credit Agreement among Reorganized Accuride and Accuride Canada, as borrowers, the lenders named therein, Deutsche Bank Trust Company Americas, as administrative agent, and Deutsch Bank Securities, Inc. as lead arranger, together with the Consent to the Fifth Amended and Restated Credit Agreement among the Debtors, Accuride Canada, Deutsche Bank Trust Company Americas, as administrative agent, and the lenders party thereto, in substantially the form attached to this Plan as Exhibit G or Filed with the Plan Supplement, as amended, restated, supplemented and/or otherwise modified from time to time.

139. "*Rights Offering*" means that certain $140 million rights offering of New Notes to be offered to the Rights Offering Participants, the terms of which are set forth in Article V.H of this Plan and which were approved by the Bankruptcy Court in the Rights Offering Approval Order.

140. "*Rights Offering Amount*" means $140 million.

141. "*Rights Offering Approval Order*" means that certain [Order Approving Rights Offering,] entered by the Bankruptcy Court on _____ __, 2009, [Docket No. _____], as such order may be amended from time to time.

142. "*Rights Offering Notes*" means the New Notes to be issued and sold through the Rights Offering (including the Remaining Rights Offering Notes to be issued pursuant to the Backstop Commitment Agreement).

143. "*Rights Offering Participant*" means each Holder of a Subordinated Notes Claim that is an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act, as of the Rights Offering Record Date.

144. "*Rights Offering Purchaser*" means a Rights Offering Participant who timely and properly executes and delivers the Subscription Form to the Debtors or other Entity specified in the Subscription Form prior to the expiration of the Subscription Deadline.

145. "*Rights Offering Record Date*" means the date for determining which Holders of Subordinated Notes Claims are eligible to participate in the Rights Offering and shall be the Voting Record Date applicable to Subordinated Notes Claims, or such other date as designated in an order of the Bankruptcy Court.

146. "*Scheduled*" means with respect to any Claim or Equity Interest, the status and amount, if any, of such Claim or Equity Interest as set forth in the Schedules.

147. "*Schedules*" means the schedules of assets and liabilities, schedules of Executory Contracts, and statement of financial affairs filed by the Debtors pursuant to section 521 of the Bankruptcy Code and the applicable Bankruptcy Rules, as such Schedules they may be amended, modified, or supplemented from time to time.

148. "*Secured Claim*" means a Claim that is secured by a Lien on property in which any Debtor's Estate has an interest or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim holder's interest in such Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code or, in the case of setoff, pursuant to section 553 of the Bankruptcy Code.

149. "*Secured Tax Claim*" means any Secured Claim which, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code.

150. "*Securities Act*" means the Securities Act of 1933, 15 U.S.C. §§ 77c-77aa, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder, and any similar federal, state or local law.

151. "*Stamp or Similar Tax*" means any stamp tax, recording tax, personal property tax, real estate transfer tax, sales tax, use tax, transaction privilege tax (including, without limitation, such taxes on prime contracting and owner-builder sales), privilege taxes (including, without limitation, privilege taxes on construction contracting with regard to speculative builders and owner builders), and other similar taxes imposed or assessed by any Governmental Unit.

152. "*Stock Backstop Fee*" shall have the meaning ascribed to it in the Backstop Commitment Agreement.

153. "*Subordinated Notes*" means those certain 8.5% Senior Subordinated Notes due 2015 issued under the Indenture.

154. "*Subordinated Notes Claim*" means any Claim arising from, under or in connection with the Subordinated Notes or Indenture.

155. "*Subscription Commencement Date*" means the date on which the Subscription Period commences, which shall be the earliest date reasonably practicable occurring after the Rights Offering Record Date.

156. "*Subscription Deadline*" means the date on which the Rights Offering shall expire as set forth in the Subscription Form, which date shall be the Voting Deadline.

157. "*Subscription Form*" means, collectively, that certain subscription form and subscription agreement to be distributed to Rights Offering Participants pursuant to which such Rights Offering Participants may exercise their Subscription Rights, which form and agreement

are attached hereto as Exhibit H and were approved by the Bankruptcy Court under the Rights Offering Approval Order.

158. "*Subscription Notification Date*" means a date that is not later than five (5) Business Days following the Subscription Deadline.

159. "*Subscription Payment Amount*" means, with respect to a particular Rights Offering Purchaser, an amount of Cash equal to the Rights Offering Amount multiplied by such Rights Offering Purchaser's subscribed for portion of its Pro Rata Share of the Rights Offering Notes.

160. "*Subscription Payment Date*" means a date that is not later than five (5) Business Days following the applicable Subscription Notification Date (or such later date as approved in writing by the Debtors or Reorganized Debtors); provided, however, that such date must occur on or prior to the Effective Date.

161. "*Subscription Period*" means the time period during which the Rights Offering Participants may subscribe to purchase the Rights Offering Notes, which period shall commence on the Subscription Commencement Date and expire on the Subscription Deadline.

162. "*Subscription Price*" shall have the meaning ascribed to it in Article V.H hereof.

163. "*Subscription Right*" means the right to participate in the Rights Offering, which right shall be non-Transferable and non-certificated as set forth in Article V.H of this Plan.

164. "*Subsequent Distribution*" means any distribution of property under this Plan to Holders of Allowed Claims other the initial distribution given on the Initial Distribution Date.

165. "*Subsequent Distribution Date*" means the date ninety (90) days after the Initial Distribution Date and the date that is each ninety (90) days thereafter.

166. "*Subsidiaries*" means the Entities listed on Plan Schedule 1 other than Accuride.

167. "*Transaction Expenses*" means the aggregate amount of reasonable fees and expenses payable by the Debtors in connection with the Chapter 11 Cases, including the fees and expenses payable to the DIP Agent, the DIP Lenders and the Backstop Investors (including those approved by the Backstop Commitment Agreement Assumption Order), all fees and expenses (whether accrued prepetition or postpetition) of the Prepetition Agent and the members of the steering committee of Prepetition Lenders, the Ad Hoc Noteholders Group Fees and Expenses, as well as the fees and expenses payable under the Restructured Credit Facility.

168. "*Transfer*" or "*Transferable*" means, with respect to any security or the right to receive a security or to participate in any offering of any security, including the Rights Offering, (i) the sale, transfer, pledge, hypothecation, encumbrance, assignment, constructive sale, participation in, or other disposition of such security or right or the beneficial ownership thereof, (ii) the offer to make such a sale, transfer, constructive sale, or other disposition, and (iii) each option, agreement, arrangement, or understanding, whether or not in writing and whether or not directly or indirectly, to effect any of the foregoing. The term "constructive sale" for purposes of

this definition means (i) a short sale with respect to such security or right, (ii) entering into or acquiring an offsetting derivative contract with respect to such security or right, (iii) entering into or acquiring a futures or forward contract to deliver such security or right, or (iv) entering into any transaction that has substantially the same effect as any of the foregoing. The term "beneficially owned" or "beneficial ownership" as used in this definition shall include, with respect to any security or right, the beneficial ownership of such security or right by a Person and by any direct or indirect subsidiary of such Person.

169. "*Unexpired Lease*" means a lease to which any Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

170. "*Unimpaired*" means, with respect to a Class of Claims or Equity Interests, a Claim or an Equity Interest that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

171. "*Voting and Claims Agent*" means The Garden City Group, Inc., in its capacity as solicitation, notice, claims and balloting agent for the Debtors, pursuant to that certain *Order Authorizing the Debtors to Retain and Employ The Garden City Group, Inc., as Notice, Claims and Balloting Agent for the Debtors and Authorizing the Appointment of The Garden City Group, Inc., as Notice, Claims and Balloting Agent to the Office of the Clerk of the Court*, entered by the Bankruptcy Court on October 9, 2009 [Docket No. 35].

172. "*Voting Classes*" means, collectively, Classes 4A, 4B, 7 and 10.

173. "*Voting Deadline*" means _____ __, 2009 at 5:00 p.m. prevailing New York Time for all Holders of Claims and Equity Interests, which is the date and time by which all Ballots, Beneficial Holder Ballots and Master Ballots, as applicable, must be received by the Voting and Claims Agent in accordance with the Disclosure Statement Order, or such other date and time as may be established by the Bankruptcy Court with respect to any Voting Class.

174. "*Voting Record Date*" means the date for determining which Holders of Claims and Equity Interests are entitled to receive the Disclosure Statement and vote to accept or reject this Plan, as applicable, which date is _____ ___, 2009, as set forth in the Disclosure Statement Order.

## ARTICLE II.

## ADMINISTRATIVE, DIP FACILITY AND PRIORITY TAX CLAIMS

*A. Administrative Claims*

Subject to sub-paragraph 1 below, on the later of the Effective Date or the date on which an Administrative Claim becomes an Allowed Administrative Claim, or, in each such case, as soon as practicable thereafter, each Holder of an Allowed Administrative Claim will receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim either (i) payment in full in Cash for the unpaid portion of such Allowed Administrative Claim; or (ii) such other less favorable treatment as agreed to in writing by the Debtors or Reorganized Debtors, as applicable, and such Holder; provided, however, that Administrative Claims incurred

by the Debtors in the ordinary course of business may be paid in the ordinary course of business in accordance with such applicable terms and conditions relating thereto in the discretion of the Debtors or Reorganized Debtors without further notice to or order of the Bankruptcy Court.

1. Bar Date for Administrative Claims

Except as otherwise provided in this Article II.A hereof, unless previously Filed or paid, requests for payment of Administrative Claims must be Filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not File and serve such a request by the Administrative Claims Bar Date shall be forever barred, estopped and enjoined from asserting such Administrative Claims against the Debtors or the Reorganized Debtors or their Estates and property and such Administrative Claims shall be deemed discharged as of the Effective Date. All such Claims shall, as of the Effective Date, be subject to the permanent injunction set forth in Article X.F hereof. Objections to such requests must be Filed and served on the Reorganized Debtors and the requesting party by the later of (a) 120 days after the Effective Date and (b) 60 days after the Filing of the applicable request for payment of Administrative Claims, if applicable, as the same may be modified or extended from time to time by order of the Bankruptcy Court.

2. Professional Compensation and Reimbursement Claims

(a) *Professional Fee Claims.* Professionals or other Entities asserting a Professional Fee Claim for services rendered before the Effective Date must File and serve on the Reorganized Debtors and such other Entities who are designated by the Bankruptcy Rules, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Professional Fee Claim no later than the Professional Fees Bar Date; provided that the Reorganized Debtors shall pay Professionals in the ordinary course of business for any work performed after the Effective Date, including those fees and expenses incurred by Professionals in connection with the implementation and consummation of this Plan, in each case without further application or notice to or order of the Bankruptcy Court; provided, further, that any professional who may receive compensation or reimbursement of expenses pursuant to the Ordinary Course Professionals Order may continue to receive such compensation and reimbursement of expenses for services rendered before the Effective Date, without further Bankruptcy Court order, pursuant to the Ordinary Course Professionals Order. Objections to any Professional Fee Claim must be Filed and served on the Reorganized Debtors and the requesting party by the later of (a) 90 days after the Effective Date and (b) 30 days after the Filing of the applicable request for payment of the Professional Fee Claim. Each Holder of an Allowed Professional Fee Claim shall be paid by the Reorganized Debtors in Cash within five Business Days of entry of the order approving such Allowed Professional Fee Claim.

(b) *Ad Hoc Noteholders Group Fees and Expenses and Secured Lenders' Fees and Expenses.* The Ad Hoc Noteholders Group Professionals, the DIP Agent's and the DIP Lenders' professionals, the Prepetition Agent's professionals and the professionals of the members of the steering committee of Prepetition Lenders shall not be required to comply with the U.S. Trustee fee guidelines, but shall provide reasonably detailed statements (redacted if necessary for

privileged, confidential or otherwise sensitive information) to the Office of the U.S. Trustee, counsel for any Committee and the Debtors. Notwithstanding anything herein to the contrary, the Debtors shall, within ten (10) days of presentment of such statements, if no written objections to the reasonableness of the fees and expenses charged in any such invoice (or portion thereof) is made, pay in Cash the Ad Hoc Noteholders Group Fees and Expenses, and all unpaid reasonable fees and expenses (whether accrued prepetition or postpetition) of the Prepetition Agent, the DIP Agent, the DIP Lenders, each of the Prepetition Lenders that are members of the steering committee of Prepetition Lenders, and each of the members of the Ad Hoc Noteholders Group related to and arising from membership in such group, as Administrative Claims. Any objection to the payment of such fees or expenses shall be made only on the basis of "reasonableness," and shall specify in writing the amount of the contested fees and expenses and the detailed basis for such objection. To the extent an objection only contests a portion of an invoice, the undisputed portion thereof shall be promptly paid. If any such objection to payment of an invoice (or any portion thereof) is not otherwise resolved between the Debtors, any Committee or the U.S. Trustee and the issuer of the invoice, either party may submit such dispute to the Court for a determination as to the reasonableness of the relevant disputed fees and expenses set forth in the invoice. The Bankruptcy Court shall resolve any dispute as to the reasonableness of any fees and expenses if the Debtors or Reorganized Debtors and any such Entity cannot agree on the amount of fees and expenses to be paid to such party.

*B. DIP Facility Claims*

Unless otherwise agreed to by the DIP Lenders, the Allowed DIP Facility Claims shall be indefeasibly paid and satisfied in full in Cash on the Effective Date in full satisfaction, settlement, discharge and release of, and in exchange for, such DIP Facility Claims. Upon indefeasible payment and satisfaction in full of all Allowed DIP Facility Claims, the DIP Facility Credit Agreement and all "Loan Documents" as defined therein, and all Liens and security interests granted to secure the DIP Facility Claims, shall be immediately terminated, extinguished and released, and the DIP Agent shall promptly execute and deliver to the Reorganized Debtors, at the Reorganized Debtors' sole cost and expense, such instruments of termination, release, satisfaction and/or assignment (in recordable form) as may be reasonably requested by the Reorganized Debtors. Notwithstanding the above, any indemnity provisions contained in the DIP Facility Credit Agreement shall survive such termination, release and satisfaction in the manner and to the extent set forth therein.

*C. Priority Tax Claims*

The legal, equitable and contractual rights of the Holders of Priority Tax Claims are unaltered by this Plan. Subject to Article VIII hereof, on, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Priority Tax Claim is an Allowed Priority Tax Claim as of the Effective Date or (ii) the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim, each Holder of an Allowed Priority Tax Claim due and payable on or prior to the Effective Date shall receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Priority Tax Claim, at the election of the Debtors or Reorganized Debtors: (a) Cash in an amount equal to the amount of such Allowed Priority Tax Claim; (b) such other less favorable treatment as agreed to in writing by the Debtors or Reorganized Debtors, as applicable, and such Holder; provided, however, that such parties

may further agree for the payment of such Allowed Priority Tax Claim at a later date; or (c) pursuant to and in accordance with sections 1129(a)(9)(C) and (D) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Priority Tax Claim payable in regular installment payments over a period ending not more than five years after the Petition Date, plus simple interest at the rate required by applicable law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by a particular taxing authority and the Debtors or Reorganized Debtors, as applicable, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; provided, further, that Priority Tax Claims incurred by the Debtors in the ordinary course of business may be paid in the ordinary course of business in accordance with such applicable terms and conditions relating thereto in the discretion of the Debtors or Reorganized Debtors without further notice to or order of the Bankruptcy Court. Any installment payments to be made under clause (c) above shall be made in equal quarterly Cash payments beginning on the Subsequent Distribution Date, and continuing on each Subsequent Distribution Date thereafter until payment in full of the applicable Allowed Priority Tax Claim.

## ARTICLE III.

## CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS

*A. Summary*

All Claims and Equity Interests, except Administrative Claims, DIP Facility Claims and Priority Tax Claims, are placed in the Classes set forth below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, DIP Facility Claims and Priority Tax Claims have not been classified as described below.

The categories of Claims and Equity Interests listed below classify Claims and Equity Interests for all purposes, including, without limitation, voting, confirmation and distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. This Plan deems a Claim or Equity Interest to be classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that any such Claim or Equity Interest is Allowed in that Class and has not been paid, released or otherwise settled prior to the Effective Date.

Summary of Classification and Treatment of Classified Claims and Equity Interests

| Class | Claim | Status | Voting Rights |
|---|---|---|---|
| 1 | Other Priority Claims | Unimpaired | Deemed to Accept |
| 2 | Other Secured Claims | Unimpaired | Deemed to Accept |
| 3 | Secured Tax Claims | Unimpaired | Deemed to Accept |

| Class | Claim | Status | Voting Rights |
|---|---|---|---|
| 4A | Prepetition First Out Credit Agreement LC Claims | Impaired | Entitled to Vote |
| 4B | Prepetition First Out Credit Agreement Other Claims | Impaired | Entitled to Vote |
| 5 | Prepetition Last Out Credit Agreement Claims | Unimpaired | Deemed to Accept |
| 6 | General Unsecured Claims | Unimpaired | Deemed to Accept |
| 7 | Subordinated Notes Claims | Impaired | Entitled to Vote |
| 8 | Intercompany Claims | Unimpaired | Deemed to Accept |
| 9 | Accuride Preferred Equity Interests | Unimpaired | Deemed to Accept |
| 10 | Accuride Other Equity Interests | Impaired | Entitled to Vote |
| 11 | Equity Interests in Subsidiaries | Unimpaired | Deemed to Accept |

*B. Classification and Treatment of Claims and Equity Interests*

1. Class 1 – Other Priority Claims

(a) *Classification*: Class 1 consists of the Other Priority Claims.

(b) *Treatment*: The legal, equitable and contractual rights of the Holders of Class 1 Claims are unaltered by this Plan. Subject to Article VIII hereof, on, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Class 1 Claim is an Allowed Class 1 Claim on the Effective Date or (ii) the date on which such Class 1 Claim becomes an Allowed Class 1 Claim, each Holder of an Allowed Class 1 Claim shall receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 1 Claim, at the election of the Debtors or Reorganized Debtors: (A) Cash equal to the amount of such Allowed Class 1 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors and the Holder of such Allowed Class 1 Claim shall have agreed upon in writing; or (C) such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code; provided, however, that Class 1 Claims incurred by the Debtors in the ordinary course of business may be paid in the ordinary course of business in accordance with the terms and conditions of any agreements

relating thereto in the discretion of the Debtors or Reorganized Debtors without further notice to or order of the Bankruptcy Court.

(c) *Voting*: Class 1 is an Unimpaired Class, and the Holders of Class 1 Claims are conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 1 Claims are not entitled to vote to accept or reject this Plan.

2. Class 2 et seq. – Other Secured Claims

(a) *Classification*: Each Class 2 Claim is an Other Secured Claim against the applicable Debtor. With respect to each Debtor, this Class will be further divided into subclasses designated by letters of the alphabet (Class 2A, Class 2B and so on), so that each holder of any Other Secured Claim against such Debtor is in a Class by itself, except to the extent that there are Other Secured Claims that are substantially similar to each other and may be included within a single Class, and except for a precautionary class of otherwise unclassified Other Secured Claims.

(b) *Treatment*: The legal, equitable and contractual rights of the Holders of Class 2 Claims are unaltered by this Plan. Subject to Article VIII hereof, on, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Class 2 Claim is an Allowed Class 2 Claim on the Effective Date or (ii) the date on which such Class 2 Claim becomes an Allowed Class 2 Claim, each Holder of an Allowed Class 2 Claim shall receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 2 Claim, at the election of the Debtors or Reorganized Debtors: (A) Cash equal to the amount of such Allowed Class 2 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors and the Holder of such Allowed Class 2 Claim shall have agreed upon in writing; or (C) such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code; provided, however, that Class 2 Claims incurred by the Debtors in the ordinary course of business may be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto in the discretion of the Debtors or Reorganized Debtors without further notice to or order of the Bankruptcy Court. Each Holder of an Allowed Other Secured Claim shall retain the Liens securing its Allowed Other Secured Claim as of the Effective Date until full and final payment of such Allowed Other Secured Claim is made as provided herein. On the full payment or other satisfaction of such obligations, the Liens securing such Allowed Other Secured Claim shall be deemed released, terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

(c) *Voting*: Class 2 is an Unimpaired Class, and the Holders of Class 2 Claims are conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 2 Claims are not entitled to vote to accept or reject this Plan.

3. Class 3 et seq. – Secured Tax Claims

(a) *Classification*: Each Class 3 Claim is an Secured Tax Claim against the applicable Debtor. With respect to each Debtor, this Class will be further divided into subclasses designated by letters of the alphabet (Class 3A, Class 3B and so on), so that each holder of any Secured Tax Claim against such Debtor is in a Class by itself, except to the extent that there are Secured Tax Claims that are substantially similar to each other and may be included within a single Class, and except for a precautionary class of otherwise unclassified Secured Tax Claims.

(b) *Treatment*: The legal, equitable and contractual rights of the Holders of Class 3 Claims are unaltered by this Plan. Subject to Article VIII hereof, on, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Class 3 Claim is an Allowed Class 3 Claim as of the Effective Date or (ii) the date on which such Class 3 Claim becomes an Allowed Class 3 Claim, each Holder of an Allowed Class 3 Claim due and payable on or prior to the Effective Date shall receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 3 Claim, at the election of the Debtors or Reorganized Debtors: (a) Cash in an amount equal to the amount of such Allowed Class 3 Claim; (b) such other less favorable treatment as agreed to in writing by the Debtors or Reorganized Debtors, as applicable, and such Holder; provided, however, that such parties may further agree for the payment of such Allowed Class 3 Claim at a later date; or (c) pursuant to and in accordance with sections 1129(a)(9)(C) and (D) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Class 3 Claim payable in regular installment payments over a period ending not more than five years after the Petition Date, plus simple interest at the rate required by applicable law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by a particular taxing authority and the Debtors or Reorganized Debtors, as applicable, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; provided, further, that Class 3 Claims incurred by the Debtors in the ordinary course of business may be paid in the ordinary course of business in accordance with such applicable terms and conditions relating thereto in the discretion of the Debtors or Reorganized Debtors without further notice to or order of the Bankruptcy Court. Each Holder of an Allowed Class 3 Claim shall retain the Liens securing its Allowed Class 3 Claim as of the Effective Date until full and final payment of such Allowed Class 3 Claim is made as provided herein. On the full payment or other satisfaction of such obligations, the Liens securing such Allowed Class 3 Claim shall be deemed released,

terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity. Any installment payments to be made under clause (c) above shall be made in equal quarterly Cash payments beginning on the first Subsequent Distribution Date following the Effective Date, and continuing on each Subsequent Distribution Date thereafter until payment in full of the applicable Allowed Secured Tax Claim.

(c) *Voting:* Class 3 is an Unimpaired Class, and the Holders of Class 3 Claims shall be conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 3 Claims are not entitled to vote to accept or reject this Plan.

4. Class 4A – Prepetition First Out Credit Agreement LC Claims

(a) *Classification*: Class 4A consists of the Prepetition First Out Credit Agreement LC Claims.

(b) *Allowance*: On the Effective Date, the Prepetition First Out Credit Agreement LC Claims shall be deemed Allowed contingent claims in an aggregate amount equal to $2 million.

(c) *Treatment*: On the Effective Date, the Prepetition Credit Agreement and all "Loan Documents" as defined therein shall, subject to satisfaction or waiver of the conditions precedent set forth in the Restructured Credit Facility Agreement, be amended, restated and replaced in their entirety by the Restructured Credit Facility Agreement and all "Loan Documents" as defined therein; provided, that certain "Collateral Documents" (as defined in the Prepetition Credit Agreement) shall be amended, supplemented or otherwise modified and shall constitute and become "Collateral Documents" (as defined in the Restructured Credit Facility Agreement), and shall secure all the obligations under the Restructured Credit Facility Agreement and the other "Loan Documents" (as defined in the Restructured Credit Facility Agreement). On the Effective Date, the Holder of the Allowed Prepetition First Out Credit Agreement LC Claim shall receive, as prepetition letter of credit issuer, the right to receive the letter of credit fees, the reimbursement rights and the other rights set forth in the Restructured Credit Facility Agreement, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim. Upon the effectiveness of the Restructured Credit Facility Agreement and receipt by the Distribution Agent of the Prepetition Last Out Payment Amount described below, the Prepetition Credit Agreement and all Liens securing such Allowed Prepetition First Out Credit Agreement LC Claims, shall be deemed released, terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity; provided, however, that certain "Collateral Documents" and Liens granted thereunder shall, notwithstanding the release, termination and extinguishment of the Liens securing the obligations under the Prepetition Credit Agreement, continue in existence for the purpose of securing the

obligations under the Restructured Credit Facility Agreement and the other "Loan Documents" (as defined in the Restructured Credit Facility Agreement). The Prepetition Agent and the Prepetition Lenders shall promptly execute and deliver to the Reorganized Debtors such instruments of termination, release, satisfaction and/or assignment (in recordable form) of any and all "Loan Documents" (as defined in the Prepetition Credit Agreement) that do not constitute and become "Collateral Documents" (as defined in the Restructured Credit Facility Agreement) as may be reasonably requested by the Reorganized Debtors.

(d) *Voting:* Class 4A is Impaired, and Holders of Class 4A Claims are entitled to vote to accept or reject this Plan.

5. Class 4B – Prepetition First Out Credit Agreement Other Claims

(a) *Classification*: Class 4B consists of the Prepetition First Out Credit Agreement Other Claims.

(b) *Allowance:* On the Effective Date, the Prepetition First Out Credit Agreement Other Claims shall be deemed Allowed in an aggregate amount equal to $306.2 million.

(c) *Treatment*: On the Effective Date, the Prepetition Credit Agreement and all "Loan Documents" as defined therein shall, subject to satisfaction of the conditions precedent set forth in the Restructured Credit Facility Agreement, be amended, restated and replaced in their entirety by the Restructured Credit Facility Agreement and all "Loan Documents" as defined therein; provided, that certain "Collateral Documents" (as defined in the Prepetition Credit Agreement) shall be amended, supplemented or otherwise modified and shall constitute and become "Collateral Documents" (as defined in the Restructured Credit Facility Agreement), and shall secure all the obligations under the Restructured Credit Facility Agreement and the other "Loan Documents" (as defined in the Restructured Credit Facility Agreement). On the Effective Date, each and every Holder of an Allowed Prepetition First Out Credit Agreement Other Claim shall become a "Lender" under the Restructured Credit Facility Agreement on a Pro Rata basis with all of the rights set forth therein, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim. Upon the effectiveness of the Restructured Credit Facility Agreement and receipt by the Distribution Agent of the Prepetition Last Out Payment Amount described below, the Prepetition Credit Agreement and all Liens securing such Allowed Prepetition First Out Credit Agreement LC Claims, shall be deemed released, terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity; provided, however, that certain "Collateral Documents" and Liens granted thereunder shall, notwithstanding the release, termination and

extinguishment of the Liens securing the obligations under the Prepetition Credit Agreement, continue in existence for the purpose of securing the obligations under the Restructured Credit Facility Agreement and the other "Loan Documents" (as defined in the Restructured Credit Facility Agreement). The Prepetition Agent and the Prepetition Lenders shall promptly execute and deliver to the Reorganized Debtors such instruments of termination, release, satisfaction and/or assignment (in recordable form) of any and all "Loan Documents" (as defined in the Prepetition Credit Agreement) that do not constitute and become "Collateral Documents" (as defined in the Restructured Credit Facility Agreement) as may be reasonably requested by the Reorganized Debtors.

(d) *Voting*: Class 4B is Impaired, and Holders of Class 4B Claims are entitled to vote to accept or reject this Plan.

6. Class 5 – Prepetition Last Out Credit Agreement Claims

(a) *Classification*: Class 5 consists of the Prepetition Last Out Credit Agreement Claims.

(b) *Allowance:* On the Effective Date, the Prepetition Last Out Credit Agreement Claims shall be deemed Allowed in an aggregate amount equal to $70.1 million.

(c) *Treatment*: On the Effective Date, the Distribution Agent shall receive for and on behalf of each and every Holder of an Allowed Prepetition Last Out Credit Agreement Claim, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim, the Prepetition Last Out Payment Amount, which the Distribution Agent shall promptly distribute Pro Rata to or for the benefit of Holders of Allowed Prepetition Last Out Credit Agreement Claims. Upon the Distribution Agent's receipt of the foregoing and upon the effectiveness of the Restructured Credit Facility described above, the Prepetition Credit Agreement, and all Liens securing such Allowed Prepetition Last Out Credit Agreement Claims, shall be deemed released, terminated and extinguished as and to the extent described in Sections III.B.4.c. and III.B.5.c. above and, in any event, such Liens shall no longer secure the Allowed Prepetition Last Out Credit Agreement Claims, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity. (d)

(d) *Voting*: Class 5 is an Unimpaired Class, and the Holders of Class 5 Claims shall be conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 5 Claims are not entitled to vote to accept or reject this Plan.

7. Class 6 – General Unsecured Claims

(a) *Classification*: Class 6 consists of the General Unsecured Claims.

(b) *Treatment*: Subject to Article VIII hereof solely to the extent, if any, of the legal, equitable and contractual rights in respect of any Class 6 Claim under applicable non-bankruptcy law, each Allowed Class 6 Claim shall be, at the Debtors' option: (i) Reinstated and paid, subject to the terms and conditions thereof, in Cash when due in the ordinary course of the Reorganized Debtors' business operations and not on the Effective Date or (ii) otherwise rendered not impaired pursuant to section 1124 of the Bankruptcy Code, except to the extent that the Reorganized Debtors and such Holder agree to other less favorable treatment in writing.

(c) *Voting*: Class 6 is an Unimpaired Class, and the Holders of Class 6 Claims shall be conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 6 Claims are not entitled to vote to accept or reject this Plan.

8. Class 7 – Subordinated Notes Claims

(a) *Classification:* Class 7 consists of the Subordinated Notes Claims.

(b) *Allowance:* On the Effective Date, the Subordinated Notes Claims shall be deemed Allowed in an aggregate amount equal to $291 million.

(c) *Treatment:* On the Effective Date, the Distribution Agent shall receive for and on behalf of each and every Holder of an Allowed Subordinated Notes Claim, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim, 98,000,000 shares of the New Common Stock. The Distribution Agent shall promptly distribute the New Common Stock on a Pro Rata basis to the Holders of Allowed Subordinated Notes Claims.

(d) *Voting:* Class 7 is Impaired, and Holders of Class 7 Claims are entitled to vote to accept or reject this Plan.

9. Class 8 – Intercompany Claims

(a) *Classification*: Class 8 consists of the Intercompany Claims.

(b) *Treatment*: Notwithstanding the substantive consolidation of the Debtors for voting and distribution purposes under the Plan, on the Effective Date, all Class 8 Intercompany Claims shall be Reinstated.

(c) *Voting*: Class 8 is an Unimpaired Class, and the Holders of Class 8 Claims will be conclusively deemed to have accepted this Plan. Therefore, Holders of Class 8 Claims will not be entitled to vote to accept or reject this Plan.

10. Class 9 – Accuride Preferred Equity Interests

(a) *Classification:* Class 9 consists of all of the Accuride Preferred Equity Interests

(b) *Treatment*: On the Effective Date, immediately after the Accuride Other Equity Interests are canceled, the Accuride Preferred Equity Interests shall be redeemed in accordance with Section 3 of the Certificate of Designation of Series A Preferred Stock of Accuride Corporation (the "*Certificate of Designation*") and the Holder of the Accuride Preferred Equity Interests shall, upon surrender of the Accuride Preferred Equity Interests, receive the $100 liquidation preference in Cash. In accordance with the Certificate of Designation, from and after notice of redemption, the Accuride Preferred Equity Interests shall no longer be, or be deemed to be, outstanding for any purpose, and all rights, preferences and powers (including voting rights and powers) of the Accuride Preferred Equity Interests shall automatically cease and terminate.

(c) *Voting:* Class 9 is an Unimpaired Class, and the Holders of Class 9 Equity Interests shall be conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 9 Equity Interests are not entitled to vote to accept or reject this Plan.

11. Class 10 – Accuride Other Equity Interests

(a) *Classification*: Class 10 consists of all of the Accuride Other Equity Interests.

(b) *Treatment*: On the Effective Date, all Class 10 Equity Interests shall be deemed canceled and shall be of no further force and effect, whether surrendered for cancellation or otherwise. In the event Class 10 votes to reject the Plan, the Holders of Class 10 Equity Interests shall not receive any distribution or retain any property on account of such Class 10 Equity Interests. In the event Class 10 votes to accept the Plan, on the Initial Distribution Date, each holder of Accuride Other Equity Interests as of the Distribution Record Date shall receive a Pro Rata share of 2,000,000 shares of the New Common Stock and its Pro Rata share of the New Warrants in satisfaction of its Class 10 Equity Interests.

(c) *Voting*: Class 10 is Impaired, and the Holders of Class 10 Equity Interests are entitled to vote to accept or reject this Plan.

12. Class 11 -- Equity Interests in Subsidiaries

(a) *Classification:* Class 11 consists of the Equity Interests in the Subsidiaries.

(b) *Treatment:* On the Effective Date, the Reorganized Debtors shall retain the Equity Interests they hold in the Subsidiaries.

(c) *Voting:* Class 11 is an Unimpaired Class, and the Holders of Class 11 Equity Interests shall be conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 11 Equity Interests are not entitled to vote to accept or reject this Plan.

*C. Special Provision Governing Unimpaired Claims*

Except as otherwise provided herein, nothing under this Plan shall affect the Debtors' rights in respect of any Unimpaired Claims, including, without limitation, all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims.

*D. Discharge of Claims*

Except as otherwise provided herein and effective as of the Effective Date: (i) the rights afforded herein and the treatment of all Claims and Equity Interests shall be in exchange for and in complete satisfaction, settlement, discharge, and release of all Claims and Equity Interests of any nature whatsoever, including (except in the case of postpetition interest comprising part of the Prepetition First Out Credit Agreement Claim or the DIP Facility Claim) any interest accrued on such Claims from and after the Petition Date, against the Debtors or any of their assets, property, or Estates; (ii) this Plan shall bind all Holders of Claims and Equity Interests, notwithstanding whether any such Holders abstained from voting to accept or reject this Plan or voted to reject this Plan; (iii) all Claims and Equity Interests shall be satisfied, discharged, and released in full, and the Debtors' liability with respect thereto shall be extinguished completely, including any liability of the kind specified under section 502(g) of the Bankruptcy Code; and (iv) all Entities shall be precluded from asserting against the Debtors, the Debtors' Estates, the Reorganized Debtors, each of their successors and assigns, and each of their assets and properties, any other Claims or Equity Interests based upon any documents, instruments or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date.

## ARTICLE IV.

## ACCEPTANCE OR REJECTION OF THE PLAN

*A. Presumed Acceptance of Plan*

Classes 1, 2, 3, 5, 6, 8, 9 and 11 are Unimpaired under this Plan, and are, therefore, presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code.

*B. Voting Classes*

Each Holder of an Allowed Claim or Allowed Equity Interest as of the applicable Voting Record Date in each of the Voting Classes (Classes 4A, 4B, 7 and 10) shall be entitled to vote to accept or reject this Plan.

*C. Acceptance by Impaired Classes of Claims and Equity Interests*

Pursuant to section 1126(c) of the Bankruptcy Code and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims has accepted this Plan if the Holders of at least two-thirds in dollar amount and more than one-half in number of the Allowed Claims in such Class actually voting have voted to accept this Plan. Pursuant to section 1126(d) of the Bankruptcy Code and except as otherwise provided in section 1126(e) of the Bankruptcy Code, a Class of Equity Interests has accepted this Plan if at least two-thirds in amount of the Allowed Equity Interests in such Class actually voting have voted to accept this Plan.

*D. Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code*

The Debtors request confirmation of this Plan under section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that does not accept this Plan pursuant to section 1126 of the Bankruptcy Code. The Debtors reserve the right to modify this Plan or any Exhibit or Plan Schedule in order to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary.

## ARTICLE V.

## MEANS FOR IMPLEMENTATION OF THE PLAN

*A. General Settlement of Claims*

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases and other benefits provided under this Plan, upon the Effective Date, the provisions of this Plan shall constitute a good faith compromise and settlement of all Claims and Equity Interests and controversies resolved pursuant to this Plan.

*B. Substantive Consolidation of Claims and Equity Interests against Debtors for Plan Purposes Only*

The Plan is premised on the substantive consolidation of all of the Debtors with respect to the voting and treatment of all Claims and Equity Interests except for the Other Secured Claims in Class 2 and Secured Tax Claims in Class 3, as provided below. The Plan does not contemplate substantive consolidation of the Debtors with respect to the Class 2 Claims or Class 3 Claims, which shall be deemed to apply separately with respect to the Plan proposed by each Debtor. This Plan shall serve as a request by the Debtors, in lieu of a separate motion, to the Bankruptcy Court, that it grant substantive consolidation with respect to the voting and treatment of all Claims and Equity Interests other than Class 2 Claims and Class 3 Claims as follows: on the Effective Date, (a) Class 8 Intercompany Claims will not be taken into account for voting or treatment purposes under this Plan (although such Claims will be Reinstated); (b) all assets and liabilities of the Debtors will be merged or treated as though they were merged (except to the extent they secure any Allowed Other Secured Claim or Allowed Secured Tax Claim); (c) all guarantees of the Debtors of the obligations of any other Debtor and any joint or several liability of any of the Debtors shall be eliminated; and (d) each and every Claim or Interest (except for

Other Secured Claims and Secured Tax Claims) against any Debtor shall be deemed Filed against the consolidated Debtors and all Claims (except for Other Secured Claims and Secured Tax Claims) Filed against more than one Debtor for the same liability shall be deemed one Claim against any obligation of the consolidated Debtors. For the avoidance of doubt, the Debtors will not be substantively consolidated for any purpose other than as set forth in the Plan or Confirmation Order.

*C. Corporate Existence*

The Debtors shall continue to exist after the Effective Date as separate legal entities, with all the powers of corporations, memberships, partnerships and other entities, as applicable, pursuant to the applicable law in their states of incorporation or organization and pursuant to the Amended Organizational Documents.

*D. Vesting of Assets in the Reorganized Debtors*

Except as otherwise provided in this Plan or the Confirmation Order, on or after the Effective Date, all property and assets of the Estates (including, without limitation, Causes of Action and, unless otherwise waived or released pursuant to an order of the Bankruptcy Court or this Plan, Avoidance Actions) and any property and assets acquired by the Debtors pursuant hereto shall vest in the Reorganized Debtors, free and clear of all Liens, Claims, charges or other encumbrances. Except as may be provided herein, on and after the Effective Date, the Reorganized Debtors may operate their businesses and may use, acquire or dispose of property and compromise or settle any Claims without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by this Plan and the Confirmation Order. Without limiting the foregoing, the Reorganized Debtors shall pay the charges that they incur after the Effective Date for Professionals' fees, disbursements, expenses or related support services (including reasonable fees relating to the preparation of Professional fee applications) in the ordinary course of business and without application or notice to, or order of, the Bankruptcy Court.

*E. Restructured Credit Facility and Sources of Cash for Plan Distributions*

On the Effective Date, the Reorganized Debtors shall be authorized to execute and deliver the Restructured Credit Facility Agreement, as well as execute, deliver, file, record and issue any notes, guarantees, documents (including UCC financing statements), or agreements in connection therewith, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than expressly required by the Restructured Credit Facility Agreement). Except as otherwise provided in this Plan or the Confirmation Order, all Cash necessary for the Reorganized Debtors to make payments required pursuant to this Plan will be obtained from the Reorganized Debtors' Cash balances, including Cash from operations and the proceeds of the Rights Offering. Cash payments to be made pursuant to this Plan will be made by the Reorganized Debtors.

F. *New Common Stock; New Warrants*

On the Effective Date, Reorganized Accuride shall issue New Common Stock to Holders of Allowed Subordinated Notes Claims and Allowed Accuride Other Equity Interests pursuant to the terms set forth herein. The aggregate number of shares of New Common Stock to be authorized on the Effective Date shall be 800,000,000 shares. The aggregate number of shares of New Common Stock to be issued on the Effective Date shall be [122,500,000] shares if Class 10 votes to reject the Plan or [125,000,000] shares if the Class 10 votes to accept the Plan. From and after the Effective Date, Reorganized Accuride shall use its best efforts to list the New Common Stock on a national securities exchange.

In the event Class 10 votes to accept the Plan, on the Effective Date, Reorganized Accuride shall issue New Warrants to Holders of Allowed Accuride Other Equity Interests pursuant to the terms set forth herein.

G. *Registration Agreement*

On the Effective Date, Accuride shall be authorized to enter into and consummate the transactions contemplated by the Registration Agreement and such document, and any agreement or document entered into in connection therewith, shall become effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than as expressly required by the Registration Agreement.

H. *Rights Offering*

1. Issuance of Rights; New Indenture.

Each Rights Offering Participant will receive Subscription Rights to subscribe for its Pro Rata Share of the Rights Offering Notes for an aggregate purchase price equal to the applicable Subscription Payment Amount. In accordance with the Backstop Commitment Agreement, the Backstop Investors have committed to purchase all Remaining Rights Offering Notes. The Rights Offering Notes, including the Remaining Rights Offering Notes, will be issued to the Rights Offering Participants and/or the Backstop Investors, as applicable, for an aggregate purchase price equal to the Rights Offering Amount. The Rights Offering Notes shall be subject to the terms of the New Indenture. On the Effective Date, Accuride shall be authorized to enter into and consummate the transactions contemplated by the New Indenture and any agreement or document entered into in connection therewith, and the New Indenture and all such agreements and documents shall become effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than as expressly required by the New Indenture).

2. Subscription Period.

The Rights Offering shall commence on the Subscription Commencement Date

and shall expire on the Subscription Deadline. Each Rights Offering Participant that intends or desires to participate in the Rights Offering must affirmatively elect to exercise its Subscription Rights, and provide written notice thereof to the Entities specified in the Subscription Form, on or prior to the Subscription Deadline in accordance with the terms of this Plan and the Subscription Form. All Remaining Rights Offering Notes shall be allocated to the Backstop Investors on the Subscription Deadline, and shall be purchased by the Backstop Investors on the Effective Date, all in accordance with the terms and conditions of the Backstop Commitment Agreement.

3. Exercise of Subscription Rights and Payment of Subscription Payment Amount.

On the Subscription Commencement Date, Accuride or another applicable Distribution Agent will mail the Subscription Form to each Rights Offering Participant known as of the Rights Offering Record Date, together with appropriate instructions for the proper completion, due execution, and timely delivery of the Subscription Form, as well as instructions for the payment of the eventual Subscription Payment Amount for that portion of the Subscription Rights sought to be exercised by such Person. The Debtors may adopt, with the prior written consent of the Ad Hoc Noteholders Group, such additional detailed procedures consistent with the provisions of this Plan to more efficiently administer the exercise of the Subscription Rights.

In order to exercise the Subscription Rights, each Rights Offering Participant must return a duly completed Subscription Form (making a binding and irrevocable commitment to participate in the Rights Offering) to the Debtors or other Entity specified in the Subscription Form so that such form is actually received by the Debtors or such other Entity on or before the Subscription Deadline. If the Debtors or such other Entity for any reason does not receive from a given holder of Subscription Rights a duly completed Subscription Form on or prior to the Subscription Deadline, then such holder shall be deemed to have forever and irrevocably relinquished and waived its right to participate in the Rights Offering. On the Subscription Notification Date, the Debtors will notify each Rights Offering Purchaser of its respective allocated portion of Rights Offering Notes, and in the case of the Backstop Investors, the Debtors will notify each Backstop Investor as soon as practicable after the Subscription Deadline and, in any event, at least four (4) Business Days prior to the Effective Date, of its portion of the Remaining Rights Offering Notes that such Backstop Investor is obligated to purchase pursuant to the Backstop Commitment Agreement and the purchase price therefor. Each Rights Offering Purchaser (other than the Backstop Investors, whose payments will be received by the Debtors on the Effective Date in accordance with the Backstop Commitment Agreement) must tender its Subscription Payment Amount to the Debtors so that it is actually received on or prior to the Subscription Payment Date. In the event the Debtors receive any payments for the exercise of Subscription Rights prior to the Effective Date, such payments shall be held in a separate account until the Effective Date. In the event the conditions to the Effective Date are not met or waived, such payments shall be returned, without accrual or payment of any interest thereon, to the applicable Rights Offering Purchaser, without reduction, offset or counter-claim.

4. No Transfer; Detachment Restrictions; No Revocation.

The Subscription Rights are not Transferable or detachable. Any such Transfer or detachment, or attempted Transfer or detachment, will be null and void and the Debtors will not treat any purported transferee of the Subscription Rights separate from the Subordinated Notes Claims as the holder of any Subscription Rights. Once a Rights Offering Participant has exercised any of its Subscription Rights by properly executing and delivering a Subscription Form to the Debtors or other Entity specified in the Subscription Form, such exercise may only be revoked, rescinded or annulled in the sole discretion of the Debtors or Reorganized Debtors.

5. Distribution of Rights Offering Notes.

On, or as soon as reasonably practicable after, the Effective Date, Reorganized Accuride or another applicable Distribution Agent shall distribute the Rights Offering Notes purchased by each Rights Offering Purchaser or Backstop Investor to such Rights Offering Purchaser or Backstop Investor.

6. Validity of Exercise of Subscription Rights.

All questions concerning the timeliness, validity, form, and eligibility of any exercise, or purported exercise, of Subscription Rights shall be determined by the Debtors or Reorganized Debtors. The Debtors or Reorganized Debtors, in their discretion reasonably exercised in good faith, may waive any defect or irregularity, or permit a defect or irregularity to be corrected within such times as they may determine, or reject the purported exercise of any Subscription Rights. A Subscription Form shall be deemed not to have been received or accepted until all irregularities have been waived or cured within such time as the Debtors or Reorganized Debtors determine in their discretion reasonably exercised in good faith. The Debtors or Reorganized Debtors will use commercially reasonable efforts to give written notice to any Rights Offering Participant regarding any defect or irregularity in connection with any purported exercise of Subscription Rights by such Person and may permit such defect or irregularity to be cured within such time as they may determine in good faith to be appropriate; provided, however, that neither the Debtors and Reorganized Debtors nor any of their Related Persons shall incur any liability for giving, or failing to give, such notification and opportunity to cure.

7. Rights Offering Proceeds.

The proceeds of the Rights Offering will fund Cash payments required to be made under this Plan, including, without limitation, Transaction Expenses, the Prepetition Last Out Payment Amount and repayment of the DIP Facility Claims, and be used for general corporate purposes by the Reorganized Debtors after the Effective Date.

*I. Equity Incentive Program*

As soon as practical after the Effective Date, the Board of Directors of Reorganized Accuride will adopt and implement the Equity Incentive Program without further notice to or order of the Bankruptcy Court, or the vote, consent, authorization or approval of any Entity or

shareholder. The approval of this Plan constitutes approval of the Equity Incentive Program pursuant to Section 303 of the Delaware General Corporate Law.

*J. Issuance of New Securities and Related Documentation*

On the Effective Date, Reorganized Accuride is authorized to and shall issue, the New Securities and Documents, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity. The issuance of the New Securities and Documents and the distribution thereof under this Plan, the distribution and exercise of the Subscription Rights, the issuance and distribution of New Common Stock upon exercise of the New Warrants and the issuance and distribution of New Common Stock upon conversion of the New Notes shall be exempt from registration under applicable securities laws pursuant to section 1145(a) of the Bankruptcy Code, Section 4(2) of the Securities Act and/or other applicable exemptions. Without limiting the effect of section 1145 of the Bankruptcy Code, all financing documents, agreements, and instruments entered into and delivered on or as of the Effective Date contemplated by or in furtherance of this Plan, including, without limitation, the Restructured Credit Facility Agreement, the New Indenture, the Registration Agreement, the New Notes and any other agreement or document related to or entered into in connection with any of the foregoing, shall become, and the Backstop Commitment Agreement shall remain, effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than as expressly required by such applicable agreement).

Upon the Effective Date, after giving effect to the transactions contemplated hereby, the authorized capital stock or other equity securities of the Reorganized Debtors shall be that number of shares of New Common Stock as may be designated in the Amended Organizational Documents. Without limiting the effect of section 1145 of the Bankruptcy Code, on the Effective Date, Accuride will enter into the Registration Agreement with each Person (a) who by virtue of the issuance by Accuride to such Person on the Effective Date of the New Common Stock and/or New Notes, as the case may be, and/or its relationship with Accuride (i) holds New Notes or New Common Stock that are "restricted" (as such term is used within the meaning of the applicable securities laws) because acquired in a private placement under Section 4(2) of the Securities Act, or (ii) could otherwise reasonably be deemed to be an "underwriter" or "affiliate" (as such terms are used within the meaning of applicable securities laws) of Accuride, and (b) who requests in writing that Accuride execute such agreement. In connection with the distribution of New Common Stock to current or former employees of the Debtors, Accuride may take whatever actions are necessary to comply with applicable federal, state, local and international tax withholding obligations, including withholding from distributions a portion of the New Common Stock and selling such securities to satisfy tax withholding obligations including, without limitation, income, social security and Medicare taxes.

*K. Release of Liens, Claims and Equity Interests*

Except as otherwise provided herein or in any contract, instrument, release or other agreement or document entered into or delivered in connection with this Plan, on the Effective

Date and concurrently with the applicable distributions made pursuant to Article VII hereof, all Liens, Claims, Equity Interests, mortgages, deeds of trust, or other security interests against the property of the Estates shall be fully released, terminated, extinguished and discharged, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity. Any Entity holding such Liens or interests shall, pursuant to section 1142 of the Bankruptcy Code, promptly execute and deliver to the Reorganized Debtors such instruments of termination, release, satisfaction and/or assignment (in recordable form) as may be reasonably requested by the Reorganized Debtors.

*L. Certificate of Incorporation and Bylaws*

The Amended Organizational Documents shall amend or succeed the certificates or articles of incorporation, by-laws, membership agreements, partnership agreements and other organizational documents of the Debtors to satisfy the provisions of this Plan and the Bankruptcy Code, and shall (i) include, among other things, pursuant to section 1123(a)(6) of the Bankruptcy Code, a provision prohibiting the issuance of non-voting equity securities, but only to the extent required by section 1123(a)(6) of the Bankruptcy Code; (ii) authorize the issuance of New Common Stock in an amount not less than the amount necessary to permit the distributions thereof required or contemplated by this Plan; (iii) to the extent necessary or appropriate, include restrictions on the Transfer of New Common Stock; and (iv) to the extent necessary or appropriate, include such provisions as may be needed to effectuate and consummate this Plan and the transactions contemplated herein. After the Effective Date, the Reorganized Debtors may amend and restate their certificates or articles of incorporation and by-laws, and other applicable organizational documents, as permitted by applicable law.

*M. Directors and Officers of Reorganized Accuride*

The New Board shall initially consist of up to seven (7) directors, who shall consist of the Chief Executive Officer of Reorganized Accuride and six (6) directors to be designated by the Ad Hoc Noteholders Group Professionals and consented to by the Debtors or to be otherwise agreed upon between the Ad Hoc Noteholders Group and the Debtors, and, which directors shall be identified in the Plan Supplement as Plan Schedule 3. Any directors elected pursuant to this Section shall be subject to approval of the Bankruptcy Court pursuant to section 1129(a)(5) of the Bankruptcy Code. As of the Effective Date, the initial officers of the Reorganized Debtors shall be the officers of the Debtors existing immediately prior to the Effective Date and the existing directors of the Reorganized Debtors other than Reorganized Accuride shall be the directors of such Debtors immediately prior to the Effective Date. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will disclose, at or prior to the Confirmation Hearing, the identity and affiliations of any Person proposed to serve on the initial board of directors of the Reorganized Debtors, and, to the extent such Person is an insider other than by virtue of being a director, the nature of any compensation for such Person. Each such director and officer shall serve from and after the Effective Date pursuant to applicable law and the terms of the Amended Organizational Documents and the other constituent and organizational documents of the Reorganized Debtors. The existing board of directors of Accuride will be deemed to have resigned on and as of the Effective Date, in each case without further notice to or order of the

Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

*N. Corporate Action*

Each of the Debtors and the Reorganized Debtors, as applicable, may take any and all actions to execute, deliver, File or record such contracts, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and implement the provisions of this Plan, including, without limitation, the distribution of the securities to be issued pursuant hereto in the name of and on behalf of the Reorganized Debtors and in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by the security holders, officers or directors of the Debtors or the Reorganized Debtors and as applicable or by any other Person (except for those expressly required pursuant hereto).

Prior to, on or after the Effective Date (as appropriate), all matters provided for pursuant to this Plan that would otherwise require approval of the stockholders, directors or members of any Debtor (as of prior to the Effective Date) shall be deemed to have been so approved and shall be in effect prior to, on or after the Effective Date (as appropriate) pursuant to applicable law and without any requirement of further action by the stockholders, directors, managers or partners of such Debtor, or the need for any approvals, authorizations, actions or consents of any Person.

All matters provided for in this Plan involving the legal or corporate structure of any Debtor or any Reorganized Debtor, as applicable, and any legal or corporate action required by any Debtor or any Reorganized Debtor as applicable, in connection with this Plan, shall be deemed to have occurred and shall be in full force and effect in all respects, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by the security holders, officers or directors of any Debtor or any Reorganized Debtor, as applicable, or by any other Person. On the Effective Date, the appropriate officers of each Debtor and each Reorganized Debtor, as applicable, are authorized to issue, execute, and deliver, and consummate the transactions contemplated by, the contracts, agreements, documents, guarantees, pledges, consents, securities, certificates, resolutions and instruments contemplated by or described in this Plan in the name of and on behalf of the Debtor and each Reorganized Debtor, as applicable, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person. The secretary and any assistant secretary of each Debtor and each Reorganized Debtor as applicable, shall be authorized to certify or attest to any of the foregoing actions.

*O. Cancellation of Notes, Certificates and Instruments*

On the Effective Date, except to the extent otherwise provided herein with respect to "Collateral Documents" under the Prepetition Credit Agreement that shall continue in effect and become "Collateral Documents" under the Restated Credit Facility Agreement or otherwise, all notes, stock, instruments, certificates, agreements and other documents evidencing the DIP

Facility Claims, Prepetition First Out Credit Agreement Claims, Prepetition Last Out Credit Agreement Claims, Subordinated Notes Claims, Accuride Preferred Equity Interests and Accuride Other Equity Interests shall be canceled, and the obligations of the Debtors thereunder or in any way related thereto shall be fully released, terminated, extinguished and discharged, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person.

On the Effective Date, except to the extent otherwise provided herein, the Indenture shall be deemed to be canceled, as permitted by section 1123(a)(5)(F) of the Bankruptcy Code, and the obligations of the Debtors thereunder shall be fully released, terminated, extinguished and discharged. The Indenture shall continue in effect solely for the purposes of: (1) allowing Holders of the Subordinated Notes Claims to receive distributions under this Plan; and (2) allowing and preserving the rights of the Indenture Trustee to (a) make distributions in satisfaction of Allowed Subordinated Notes Claims, (b) exercise its charging liens against any such distributions, and (c) seek compensation and reimbursement for any fees and expenses incurred in making such distributions. Upon completion of all such distributions, the Subordinated Notes and the Indenture shall terminate completely. From and after the Effective Date, the Indenture Trustee shall have no duties or obligations under the Indenture other than to make distributions. As of the Effective Date, the Subordinated Notes shall be surrendered to the Indenture Trustee in accordance with the terms of the Indenture. All surrendered and canceled Subordinated Notes held by the Indenture Trustee shall be disposed of in accordance with the applicable terms and conditions of the Indenture.

## ARTICLE VI.

## TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

*A. Assumption and Rejection of Executory Contracts and Unexpired Leases*

On the Effective Date, all Executory Contracts and Unexpired Leases of the Debtors will be deemed assumed in accordance with, and subject to, the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, except for those Executory Contracts (including, without limitation, employment agreements) and Unexpired Leases that:

(i) have been rejected by order of the Bankruptcy Court;

(ii) are the subject of a motion to reject pending on the Effective Date;

(iii) are identified on Plan Schedule 4 hereto or in the Plan Supplement (in either case which Exhibit may be amended by the Debtors to add or remove Executory Contracts and Unexpired Leases by filing with the Bankruptcy Court an amended Exhibit and serving it on the affected contract parties at least ten (10) days prior to the Voting Deadline); or

(iv) are rejected pursuant to the terms of this Plan.

Without amending or altering any prior order of the Bankruptcy Court approving the assumption or rejection of any Executory Contract or Unexpired Lease, entry of the

Confirmation Order by the Bankruptcy Court shall constitute approval of such assumptions and rejections pursuant to sections 365(a) and 1123 of the Bankruptcy Code. To the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to this Plan (including, without limitation, any "change of control" provision) restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the Reorganized Debtors' assumption of such Executory Contract or Unexpired Lease, then such provision shall be deemed modified such that the transactions contemplated by this Plan shall not entitle the non-debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Each Executory Contract and Unexpired Lease assumed pursuant to this Article VI shall revest in and be fully enforceable by the Reorganized Debtors in accordance with its terms, except as modified by the provisions of this Plan, any order of the Bankruptcy Court authorizing and providing for its assumption, or applicable law.

*B. Assignment of Executory Contracts or Unexpired Leases*

In the event of an assignment of an Executory Contract or Unexpired Lease, at least twenty (20) days prior to the Confirmation Hearing, the Debtors shall serve upon counterparties to such Executory Contracts and Unexpired Leases, a notice of the proposed assumption and assignment, which will: (a) list the applicable cure amount, if any; (b) identify the party to which the Executory Contract or Unexpired Lease will be assigned; (c) describe the procedures for filing objections thereto; and (d) explain the process by which related disputes will be resolved by the Bankruptcy Court; additionally, the Debtors shall file with the Bankruptcy Court a list of such Executory Contracts and Unexpired Leases to be assigned and the proposed cure amounts. Any applicable cure amounts shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the cure amount in Cash on the Effective Date or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree.

Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assignment or any related cure amount must be filed, served and actually received by the Debtors at least five (5) days prior to the Confirmation Hearing. Any counterparty to an Executory Contract and Unexpired Lease that fails to object timely to the proposed assignment or cure amount will be deemed to have consented to such assignment of its Executory Contract or Unexpired Lease. The Confirmation Order shall constitute an order of the Bankruptcy Court approving any proposed assignments of Executory Contracts or Unexpired Leases pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date.

In the event of a dispute regarding (a) the amount of any cure payment, (b) the ability of any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assigned or (c) any other matter pertaining to assignment, the applicable cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order or orders resolving the dispute and approving the assignment. If an objection to assignment or cure amount is sustained by the Bankruptcy Court, the Reorganized Debtors in their sole option, may elect to reject such Executory Contract or Unexpired Lease in lieu of assuming and assigning it.

*C. Rejection of Executory Contracts or Unexpired Leases*

All Executory Contracts and Unexpired Leases listed on Plan Schedule 4 shall be deemed rejected as of the Effective Date. The Confirmation Order shall constitute an order of the Bankruptcy Court approving the rejections described in this Article VI pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date.

*D. Claims on Account of the Rejection of Executory Contracts or Unexpired Leases*

All Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to this Plan or the Confirmation Order, if any, must be filed with the Bankruptcy Court within thirty (30) days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection.

Any Entity that is required to file a Proof of Claim arising from the rejection of an Executory Contract or an Unexpired Lease that fails to timely do so shall be forever barred, estopped and enjoined from asserting such Claim, and such Claim shall not be enforceable, against the Debtors, the Reorganized Debtors or the Estates, and the Debtors, the Reorganized Debtors and their Estates and property shall be forever discharged from any and all indebtedness and liability with respect to such Claim unless otherwise ordered by the Bankruptcy Court or as otherwise provided herein. All such Claims shall, as of the Effective Date, be subject to the permanent injunction set forth in Article X.F hereof.

*E. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases*

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to this Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash as and when due in the ordinary course of business or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree.

Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption must be filed, served and actually received by the Debtors at least ten (10) days prior to the Confirmation Hearing. Any counterparty to an Executory Contract and Unexpired Lease that fails to object timely to the proposed assumption will be deemed to have assented and will be deemed to have forever released and waived any objection to the proposed assumption other than with respect to any alleged cure amount, which may be asserted at any time. In the event of a dispute regarding (1) the amount of any payments to cure a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order or orders resolving the dispute and approving the assumption. If an objection to cure is sustained by the Bankruptcy Court, the Debtors or Reorganized Debtors, as applicable, in their sole option, may elect to reject such Executory Contract or Unexpired Lease in lieu of assuming it.

*F. Assumption of Director and Officer Insurance Policies*

The Debtors, and upon the Effective Date, the Reorganized Debtors, shall assume all of the D&O Liability Insurance Policies pursuant to section 365(a) of the Bankruptcy Code. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of the D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained herein, confirmation of this Plan shall not discharge, impair or otherwise modify any indemnity obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such indemnity obligation shall be deemed and treated as an Executory Contract that has been assumed by the Debtors hereunder as to which no Proof of Claim need be Filed. Notwithstanding anything to the contrary contained herein, confirmation of this Plan shall not impair or otherwise modify any rights of the Reorganized Debtors under the D&O Liability Insurance Policies.

*G. Indemnification Provisions*

Except as otherwise provided herein, all indemnification provisions currently in place (whether in the by-laws, certificate of incorporation, board resolutions, contracts, or otherwise) for the directors, officers and employees of the Debtors who served in such capacity as of the Petition Date with respect to or based upon any act or omission taken or omitted in such capacities, for or on behalf of the Debtors, will be Reinstated (or assumed, as the case may be), and shall survive effectiveness of this Plan; provided, however, that no indemnification provisions for any Non-Released Party shall survive the Effective Date.

*H. Compensation and Benefit Programs*

Except as otherwise provided in this Plan or any order of the Bankruptcy Court, all employment and severance policies, and all compensation and benefit plans, policies, and programs of the Debtors applicable to its employees, retirees, and non-employee directors and the employees and retirees of its subsidiaries, including, without limitation, all savings plans, retirement plans, healthcare plans, disability plans, severance benefit plans, incentive plans, life, and accidental death and dismemberment insurance plans, are treated as Executory Contracts under this Plan and on the Effective Date will be assumed pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code. Any payment obligations under any assumed employment contracts and benefit plans that have been or purport to have been accelerated as a result of the commencement of this Chapter 11 Case or the consummation of any transactions contemplated by this Plan shall be Reinstated and such acceleration shall be rescinded and deemed not to have occurred.

Accuride Corporation, Transportation Technologies Industries, Inc., Accuride Erie, L.P. and Gunite Corporation are the contributing sponsors for the Accuride Retirement Plan, the Transportation Technologies Industries, Inc. Salaried Pension Plan, the Transportation Technologies Industries, Inc. Bargaining Unit Pension Plan, the Accuride Erie Hourly Employee Pension Plan, the Gunite Corporation Hourly-Rate Employee Pension Plan (Elkhart), and the Gunite Corporation Rockford (UAW) Hourly-Rated Employees Pension Plan, respectively ("Pension Plans"). The Pension Plans are covered by Title IV of the Employee Retirement

Income Security Act of 1974, as amended, ("ERISA"), 29 U.S.C. section 1301 et seq. The Pension Benefit Guaranty Corporation ("PBGC"), a United States Government corporation, guarantees the payment of certain pension benefits upon termination of a pension plan covered by Title IV of ERISA.

Upon confirmation of the Plan, the Reorganized Debtors will assume and continue to maintain the Pension Plans, and contribute to the Pension Plans the amount necessary to satisfy the minimum funding standards under sections 302 and 303 of ERISA, 29 U.S.C. §§ 1082 and 1083, and sections 412 and 430 of the Internal Revenue Code, 26 U.S.C. §§ 412 and 430. Nothing in the Plan will be construed as discharging, releasing, or relieving Debtors, or their successors, including the Reorganized Debtors, or any party, in any capacity, from any liability imposed under any law or regulatory provision with respect to the Pension Plans or PBGC. PBGC and the Pension Plans will not be enjoined or precluded from enforcing such liability as a result of any provision of the Plan or the Confirmation Order.

*I. Workers' Compensation Benefits*

Except as otherwise provided in this Plan, as of the Effective Date, the Debtors and the Reorganized Debtors shall continue to honor their obligations under: (i) all applicable workers' compensation laws in states in which the Reorganized Debtors operate; and (ii) the Debtors' written contracts, agreements, agreements of indemnity, self-insurer workers' compensation bonds, and any other policies, programs, and plans regarding or relating to workers' compensation and workers' compensation insurance. All such contracts and agreements are treated as Executory Contracts under this Plan and on the Effective Date will be assumed pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code. Notwithstanding anything to the contrary contained herein, confirmation of this Plan shall not impair or otherwise modify any rights of the Reorganized Debtors under any such contracts, agreements, policies, programs or plans regarding or relating to workers' compensation or workers' compensation insurance.

## ARTICLE VII.

## PROVISIONS GOVERNING DISTRIBUTIONS

*A. Distributions for Claims and Equity Interests Allowed as of the Effective Date*

Except as otherwise provided in the "Treatment" sections in Article III hereof or as ordered by the Bankruptcy Court, distributions to be made on account of Claims and Equity Interests that are Allowed Claims or Equity Interests as of the Effective Date shall be made on the Initial Distribution Date or as soon thereafter as is practicable. Any distribution to be made on the Effective Date pursuant to this Plan shall be deemed as having been made on the Effective Date if such distribution is made on the Effective Date or as soon thereafter as is reasonably practicable. Any payment or distribution required to be made under this Plan on a day other than a Business Day shall be made on the next succeeding Business Day. Distributions on account of Disputed Claims and Equity Interests that first become Allowed Claims and Equity Interests after the Effective Date shall be made pursuant to Article VIII hereof.

*B. No Postpetition Interest on Claims*

Unless otherwise specifically provided for in this Plan, the Confirmation Order or the DIP Orders, or required by applicable bankruptcy law, postpetition interest shall not accrue or be paid on any Claims, and no Holder of a Claim (other than a Holder of a DIP Facility Claim, a Prepetition First Out Credit Agreement Claim or a Prepetition Last Out Credit Agreement Claim with respect to such applicable Claim) shall be entitled to interest accruing on or after the Petition Date on any Claim.

*C. Distributions by Reorganized Accuride or Other Applicable Distribution Agent*

Other than as specifically set forth below, Reorganized Accuride or another applicable Distribution Agent shall make all distributions required to be distributed under this Plan. Distributions on account of the DIP Facility Claims, Prepetition Credit Facility Claims and Subordinated Notes Claims shall be made to the DIP Agent, the Prepetition Agent and the Indenture Trustee, respectively. The Reorganized Debtors may employ or contract with other entities to assist in or make the distributions required by this Plan.

*D. Delivery and Distributions and Undeliverable or Unclaimed Distributions*

1. Record Date for Distributions

On the Distribution Record Date, the Claims Register shall be closed. Accordingly, Reorganized Accuride or other applicable Distribution Agent will have no obligation to recognize the Transfer of, or the sale of any participation in, any Allowed Claim that occurs after the close of business on the Distribution Record Date, and will be entitled for all purposes herein to recognize and distribute securities, property, notices and other documents only to those Holders of Allowed Claims who are Holders of such Claims, or participants therein, as of the close of business on the Distribution Record Date. Reorganized Accuride or any other applicable Distribution Agent shall be entitled to recognize and deal for all purposes under this Plan with only those record holders stated on the Claims Register, or (if no address appears on the Claims Register) their books and records, as of the close of business on the Distribution Record Date. For purposes of Subordinated Notes Claims, the record Holder thereof as of the Distribution Record Date shall be the Indenture Trustee.

2. Delivery of Distributions in General

Except as otherwise provided herein, Accuride, Reorganized Accuride or another applicable Distribution Agent, as applicable, shall make distributions to Holders of Allowed Claims and Equity Interests, or in care of their authorized agents, as appropriate, at the address for each such Holder or agent as indicated on the Debtors' books and records as of the date of any such distribution; *provided, however*, that the manner of such distributions shall be determined in the sole discretion of the Debtors or the Reorganized Debtors, as applicable; and *provided further*, that if a Holder of an Allowed Claim or Equity Interest Files a Proof of Claim, the address for such Holder shall be deemed to be the address set forth in any Proof of Claim Filed by that Holder.

All distributions to Holders of Subordinated Notes Claims shall be governed by the Indenture and shall be deemed completed when made to the Indenture Trustee. The Indenture Trustee may effect any distribution to Holders of Subordinated Notes Claims through the book-entry transfer facilities of The Depository Trust Company, who shall distribute the same to its participants in accordance with their respective holdings of Subordinated Notes as of the Distribution Record Date.

3. Minimum Distributions

Notwithstanding anything herein to the contrary, no Distribution Agent shall be required to make distributions or payments of less than $25.00 (whether in Cash or otherwise) or to make partial distributions or payments of fractions of dollars. Whenever any payment or distribution of a fraction of a dollar or share of New Common Stock under this Plan would otherwise be called for, the actual payment or distribution will reflect a rounding of such fraction to the nearest whole dollar or share of New Common Stock (up or down), with half dollars and half shares of New Common Stock or less being rounded down.

No Distribution Agent shall have any obligation to make a distribution on account of an Allowed Claim if: (a) the aggregate amount of all distributions authorized to be made on the Subsequent Distribution Date in question is or has an economic value less than $50,000, unless such distribution is a final distribution; or (b) the amount to be distributed to the specific Holder of an Allowed Claim on such Subsequent Distribution Date does not constitute a final distribution to such Holder and is or has an economic value less than $25.00, which shall be treated as an undeliverable distribution under Article VII.D.4 below.

4. Undeliverable Distributions

(a) Holding of Certain Undeliverable Distributions

If the distribution to any Holder of an Allowed Claim or Equity Interest is returned to the Distribution Agent as undeliverable or is otherwise unclaimed, no further distributions shall be made to such Holder unless and until the Distribution Agent is notified in writing of such Holder's then current address, at which time all currently due missed distributions shall be made to such Holder on the next Subsequent Distribution Date. Undeliverable distributions shall remain in the possession of the Reorganized Debtors, subject to Article VII.D.4(b) hereof, until such time as any such distributions become deliverable. Undeliverable distributions shall not be entitled to any additional interest, dividends or other accruals of any kind on account of their distribution being undeliverable.

(b) Failure to Claim Undeliverable Distributions

Any Holder of an Allowed Claim or Equity Interest (or any successor or assignee or other Person or Entity claiming by, through, or on behalf of, such Holder) that does not assert a right pursuant to this Plan for an undeliverable or unclaimed distribution within one (1) year after the later of the Effective Date or the date such distribution is due shall be deemed to have forfeited its rights for such undeliverable or unclaimed distribution and shall be forever barred and enjoined from asserting any such rights for an undeliverable or unclaimed distribution against the Debtors or their Estates, the Reorganized Debtors or their property. In such cases, any Cash for

distribution on account of such rights for undeliverable or unclaimed distributions shall become the property of the Estates free of any restrictions thereon and notwithstanding any federal or state escheat laws to the contrary. Any Cash, New Common Stock, New Notes, New Warrants and/or other New Securities and Documents or other property held for distribution on account of such Claim or Equity Interest shall be canceled and of no further force or effect. Nothing contained in this Plan shall require the Debtors, Reorganized Debtors, or any Distribution Agent to attempt to locate any Holder of an Allowed Claim or Equity Interest.

(c) Failure to Present Checks

Checks issued by the Distribution Agent on account of Allowed Claims shall be null and void if not negotiated within 180 days after the issuance of such check. In an effort to ensure that all Holders of Allowed Claims receive their allocated distributions, no later than 180 days after the issuance of such checks, the Reorganized Debtors shall File with the Bankruptcy Court a list of the Holders of any un-negotiated checks. This list shall be maintained and updated periodically in the sole discretion of the Reorganized Debtors for as long as the Chapter 11 Cases stay open. Requests for reissuance of any check shall be made directly to the Distribution Agent by the Holder of the relevant Allowed Claim or Equity Interest with respect to which such check originally was issued. Any Holder of an Allowed Claim or Equity Interest holding an un-negotiated check that does not request reissuance of such un-negotiated check within 365 days after the date of mailing or other delivery of such check shall have its Claim or Equity Interest for such un-negotiated check discharged and be discharged and forever barred, estopped and enjoined from asserting any such Claim or Equity Interest against the Reorganized Debtors or their property. In such cases, any Cash held for payment on account of such Claims or Equity Interest shall be property of the Reorganized Debtors, free of any Claims or Equity Interests of such Holder with respect thereto. Nothing contained herein shall require the Reorganized Debtors to attempt to locate any Holder of an Allowed Claim or Equity Interest.

*E. Compliance with Tax Requirements/Allocations*

In connection with this Plan and all distributions hereunder, Reorganized Accuride or another applicable Distribution Agent shall comply with all withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all distributions hereunder shall be subject to any such withholding and reporting requirements. Reorganized Accuride or other applicable Distribution Agent shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements. All persons holding Claims shall be required to provide any information necessary to effect information reporting and the withholding of such taxes. Notwithstanding any other provision of this Plan to the contrary, each Holder of an Allowed Claim or Equity Interest shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding, and other tax obligations, on account of a distribution to such Holder. Any Cash, New Common Stock, New Notes, New Warrants, New Securities and Documents and/or other consideration or property to be distributed pursuant to this Plan shall, pending the implementation of such arrangements, be treated as an undeliverable distribution pursuant to Article VII.D.4 of this Plan.

*F. Allocation of Plan Distributions Between Principal and Interest*

To the extent that any Allowed Claim entitled to a distribution under this Plan is comprised of indebtedness and accrued but unpaid interest thereon, such distribution shall, to the extent permitted by applicable law, be allocated for income tax purposes to the principal amount of the Claim first and then, to the extent that the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest.

*G. Means of Cash Payment*

Payments of Cash made pursuant to this Plan shall be in U.S. dollars and shall be made, at the option and in the sole discretion of the Reorganized Debtors, by (a) checks drawn on, or (b) wire transfer from, a domestic bank selected by the Reorganized Debtors. Cash payments to foreign creditors may be made, at the option of the Reorganized Debtors, in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

*H. Timing and Calculation of Amounts to Be Distributed*

On the Initial Distribution Date (or if a Claim or Equity Interest is not an Allowed Claim or Equity Interest on the Effective Date, on the Subsequent Distribution Date occurring after such Claim becomes an Allowed Claim or Equity Interest, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim or Equity Interest shall receive the full amount of the distributions that this Plan provides for Allowed Claims or Equity Interests in the applicable Class. If and to the extent that there are Disputed Claims or Equity Interests, distributions on account of any such Disputed Claims or Equity Interests shall be made pursuant to the provisions set forth in the applicable class treatment or in Article VIII hereof. Except as otherwise provided herein, Holders of Claims and Equity Interests shall not be entitled to interest, dividends or accruals on the distributions provided for herein, regardless of whether such distributions are delivered on or at any time after the Effective Date.

*I. Setoffs*

Without altering or limiting any of the rights and remedies of the Debtors and Reorganized Debtors under section 502(d) of the Bankruptcy Code, all of which rights and remedies are hereby reserved, the Debtors and the Reorganized Debtors may, but shall not be required to, withhold (but not setoff except as set forth below) from the distributions called for hereunder on account of any Allowed Claim an amount equal to any claims, Causes of Action and Litigation Claims of any nature that the Debtors or the Reorganized Debtors may hold against the Holder of any such Allowed Claim. In the event that any such claims, Causes of Action or Litigation Claims are adjudicated by Final Order or otherwise resolved against the applicable Holder, the Debtors and Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim and the distributions to be made pursuant hereto on account of such Allowed Claim (before any distribution is made on account of such Allowed Claim), the amount of such adjudicated or resolved claims, Causes of Action or Litigation Claims. Neither the failure to effect such a setoff nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claims, Causes of Action or Litigation Claims.

*J. Surrender of Cancelled Instruments or Securities*

As a condition precedent to receiving any distribution pursuant to this Plan on account of an Allowed Claim or Equity Interest evidenced by the instruments, securities, notes, or other documentation canceled pursuant to Article V.O hereto, the Holder of such Claim or Equity Interest shall tender the applicable instruments, securities, notes or other documentation evidencing such Claim or Equity Interest to Reorganized Accuride or another applicable Distribution Agent unless waived in writing by the Debtors or the Reorganized Debtors, as applicable.

Any Holder of a Claim or Equity Interest that is required, but that fails, to surrender or is deemed to have failed to surrender the applicable note or security required to be tendered hereunder within one (1) year after the Effective Date shall have its Claim and its distribution pursuant to this Plan on account of such Claim or Equity Interest discharged and shall be forever barred from asserting any such Claim or Equity Interest against the Reorganized Debtors or their property. In such cases, any Cash, New Common Stock, New Notes, New Warrants and/or other New Securities and Documents or other property held for distribution on account of such Claim or Equity Interest shall be canceled and of no further force or effect.

*K. Lost, Stolen, Mutilated or Destroyed Securities*

In addition to any requirements under any applicable agreement and applicable law, any Holder of a Claim or Equity Interest evidenced by a security or note that has been lost, stolen, mutilated, or destroyed shall, in lieu of surrendering such security or note to the extent required by this Plan, deliver to Reorganized Accuride and other applicable Distribution Agents: (x) evidence reasonably satisfactory to Reorganized Accuride and other applicable Distribution Agents of such loss, theft, mutilation, or destruction; and (y) such security or indemnity as may be required by Reorganized Accuride and other applicable Distribution Agents to hold such party harmless from any damages, liabilities, or costs incurred in treating such individual as a Holder of an Allowed Claim or Allowed Equity Interest. Upon compliance with this Article VII.K as determined by the Debtors or Reorganized Debtors by a Holder of a Claim or Equity Interest evidenced by a security or note, such Holder shall, for all purposes under this Plan, be deemed to have surrendered such security or note to Reorganized Accuride and other applicable Distribution Agents.

## ARTICLE VIII.

## PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED AND DISPUTED CLAIMS AND EQUITY INTERESTS

*A. Resolution of Disputed Claims and Equity Interests*

1. Allowance of Claims and Equity Interests

After the Effective Date and subject to the other provisions hereof, the Reorganized Debtors shall have and shall retain any and all rights and defenses that the Debtors had with respect to any Claim or Equity Interest, except with respect to any Claim or Equity Interest deemed Allowed under this Plan or by prior orders of the Bankruptcy Court. Except as expressly

provided in this Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including, without limitation, the Confirmation Order and the DIP Orders), no Claim or Equity Interest shall become an Allowed Claim unless and until such Claim or Equity Interest is deemed Allowed under this Plan or the Bankruptcy Code or the Bankruptcy Court has entered a Final Order, including, without limitation, the Confirmation Order, in the Chapter 11 Cases allowing such Claim or Equity Interest.

2. Prosecution of Objections to Claims and Equity Interests

After the Confirmation Date but before the Effective Date, the Debtors, and after the Effective Date, the Reorganized Debtors, shall have the exclusive authority to File objections to Claims and settle, compromise, withdraw or litigate to judgment objections to any and all Claims, regardless of whether such Claims or Equity Interests are in an Unimpaired Class or otherwise; provided, however, this provision shall not apply to Professional Fee Claims, Ad Hoc Noteholders Group Fees and Expenses, the Backstop Fee, the Backstop Transaction Expenses, the Cash Backstop Fee or the DIP Facility Claim. From and after the Effective Date, the Reorganized Debtors may settle or compromise any Disputed Claim or Equity Interest without any further notice to or action, order or approval of the Bankruptcy Court. The Reorganized Debtors shall have the sole authority to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order or approval of the Bankruptcy Court.

3. Estimation

After the Confirmation Date but before the Effective Date, the Debtors, and after the Effective Date, the Reorganized Debtors may, at any time, request that the Bankruptcy Court estimate (a) any Disputed Claim or Equity Interest pursuant to applicable law and (b) any contingent or unliquidated Claim or Equity Interest pursuant to applicable law, including, without limitation, section 502(c) of the Bankruptcy Code, and the Bankruptcy Court shall retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any Disputed Claim or Equity Interest, contingent Claim or Equity Interest or unliquidated Claim or Equity Interest, including during the litigation concerning any objection to any Claim or Equity Interest or during the pendency of any appeal relating to any such objection. All of the aforementioned Claim or Equity Interests and objection, estimation and resolution procedures are cumulative and not exclusive of one another. Claim or Equity Interests may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court. The rights and objections of all parties are reserved in connection with any such estimation proceeding.

4. Deadline to File Objections to Claims and Equity Interests

Any objections to Claims and Equity Interests shall be Filed no later than the Claims Objection Bar Date. Moreover, notwithstanding the expiration of the Claims Objection Bar Date, the Debtors or Reorganized Debtors shall continue to have the right to amend any claims objections and to file and prosecute supplemental objections and counterclaims to a Disputed Claim or Equity Interest until such Disputed Claim or Equity Interest is Allowed or disallowed.

*B. No Distributions Pending Allowance*

Notwithstanding any other provision of this Plan to the contrary, no payments or distributions of any kind or nature shall be made with respect to the disputed portion of a Disputed Claim or Equity Interest unless and until all objections to such Disputed Claim or Equity Interest have been settled or withdrawn or have been determined by Final Order, and the Disputed Claim or Equity Interest has become an Allowed Claim or Equity Interest; provided, however, that the Debtors shall treat the undisputed portion (if any) of a Disputed Claim as an Allowed Claim.

*C. Distributions on Account of Disputed Claims and Equity Interests Once They Are Allowed and Additional Distributions on Account of Previously Allowed Claims and Equity Interests*

On each Subsequent Distribution Date (or such earlier date as determined by the Reorganized Debtors in their sole discretion), Reorganized Accuride or another applicable Distribution Agent will make distributions (a) on account of any Disputed Claim or Equity Interest that has become an Allowed Claim or Equity Interest during the preceding ninety (90) days, and (b) on account of previously Allowed Claims or Equity Interests of property that would have been distributed to the Holders of such Claim or Equity Interest on the dates distributions previously were made to Holders of Allowed Claims or Equity Interests in such Class had the Disputed Claims or Equity Interests that have become Allowed Claims or Equity Interests or disallowed by Final Order of the Bankruptcy Court been Allowed or disallowed, as applicable, on such dates. Such distributions will be made pursuant to the applicable provisions of Article III of this Plan.

## ARTICLE IX.

## CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

*A. Conditions Precedent to Confirmation*

Confirmation of this Plan shall be conditioned upon the satisfaction or waiver pursuant to the provisions of Article IX.C hereof of the following:

1. The Bankruptcy Court shall have entered a Final Order in form and in substance satisfactory to the Debtors, the Requisite Independent Supporting Lenders and the Required Noteholders approving the Disclosure Statement with respect to this Plan as containing adequate information within the meaning of section 1125 of the Bankruptcy Code.

2. This Plan and all schedules, documents, supplements and exhibits to this Plan shall have been filed in form and substance acceptable to the Debtors, the Requisite Independent Supporting Lenders and the Required Noteholders.

3. The proposed Confirmation Order shall be in form and substance reasonably acceptable to the Debtors, the Committee, the Requisite Independent Supporting Lenders and the Required Noteholders.

4. The board of directors of the Reorganized Debtors shall have been selected.

*B. Conditions Precedent to Consummation*

Consummation of this Plan shall be conditioned upon the satisfaction or waiver pursuant to the provisions of Article IX.C hereof of the following:

1. The Confirmation Order shall have been entered and either (a) become a Final Order or (b) the 10-day stay contemplated by Bankruptcy Rule 3020(e) in respect thereof shall have been terminated, and the Confirmation Order shall otherwise be in a form and in substance reasonably satisfactory to the Debtors, the Committee, the Requisite Independent Supporting Lenders and the Required Noteholders, and no stay of the Confirmation Order shall have been entered and be in effect. The Confirmation Order shall provide that, among other things, the Debtors or the Reorganized Debtors, as appropriate, are authorized and directed to take all actions necessary or appropriate to consummate this Plan, including, without limitation, entering into, implementing and consummating the contracts, instruments, releases, leases, indentures and other agreements or documents created in connection with or described in this Plan.

2. The Bankruptcy Court shall have entered one or more Final Orders (which may include the Confirmation Order) authorizing the assumption and rejection of Executory Contracts and Unexpired Leases by the Debtors as contemplated in this Plan and the Plan Supplement.

3. All documents and agreements necessary to implement this Plan, including, without limitation, the Restructured Credit Facility and the New Indenture, in each case in form and substance acceptable to the Debtors, the Requisite Independent Supporting Lenders, the Required Noteholders and Accuride Canada (to the extent it is a party to such agreements), shall have (a) been tendered for delivery, and (b) been effected by executed by, or otherwise deemed binding upon, all Entities party thereto. All conditions precedent all to such documents and agreements shall have been satisfied or waived pursuant to the terms of such documents or agreements.

4. Without limiting the foregoing, the "Canadian Revolving Credit Lenders" (as defined in the Prepetition Credit Agreement) as of the Effective Date shall all have executed and delivered the Restructured Credit Facility Agreement and all related documents and instruments.

5. All material consents, actions, documents, certificates and agreements necessary to implement this Plan shall have been effected or executed and delivered to the required parties and, to the extent required, Filed with the applicable governmental units in accordance with applicable laws.

6. The Debtors shall have received the Rights Offering Amount, in Cash, net of any fees or expenses authorized by Order of the Bankruptcy Court to be paid from the Rights Offering Amount.

7. All interest, fees and expenses (including legal and advisory fees and expenses) on account of the Prepetition First Out Credit Facility Claims shall have been paid as required by the DIP Orders.

8. The Confirmation Date shall have occurred.

*C. Waiver of Conditions*

The conditions to confirmation of this Plan and to Consummation of this Plan set forth in this Article IX may be waived by the Debtors with the consent of the Requisite Independent Supporting Lenders and the Required Noteholders (not to be unreasonably withheld) without notice, leave or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate this Plan; provided, however, notwithstanding the foregoing, the condition set forth in paragraph B(4) may not be waived without the consent of all of the "Canadian Revolving Credit Lenders" (as defined in the Prepetition Credit Agreement), the conditions in paragraphs A(3) and B(1) may not be waived without the consent of the Committee, which shall not be unreasonably withheld or delayed, and the condition set forth in paragraph B(7) may not be waived without the consent of the Holders of the Prepetition First Out Credit Agreement Claims. The failure to satisfy or waive a condition to Consummation may be asserted by the Debtors or the Reorganized Debtors regardless of the circumstances giving rise to the failure of such condition to be satisfied. The failure of the Debtors or Reorganized Debtors to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each right shall be deemed an ongoing right that may be asserted at any time.

*D. Effect of Non Occurrence of Conditions to Consummation*

If the Consummation of this Plan does not occur, this Plan shall be null and void in all respects and nothing contained in this Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any claims by or Claims against or Equity Interests in the Debtors; (2) prejudice in any manner the rights of the Debtors, any Holders or any other Entity; (3) constitute an Allowance of any Claim or Equity Interest; or (4) constitute an admission, acknowledgment, offer or undertaking by the Debtors, any Holders or any other Entity in any respect.

## ARTICLE X.

## RELEASE, INJUNCTION AND RELATED PROVISIONS

*A. General*

Notwithstanding anything contained herein to the contrary, the allowance, classification and treatment of all Allowed Claims and Equity Interests and their respective distributions and treatments hereunder, takes into account the relative priority and rights of the Claims and the Equity Interests in each Class in connection with any contractual, legal and equitable subordination rights relating thereto whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code or otherwise. Pursuant to the terms contained in this Plan, among other things, the subordination provisions contained in the Indenture are hereby eliminated and each holder of a Subordinated Notes Claim shall receive and be entitled to retain the property as set forth in this Plan. As of the Effective Date, any and all contractual, legal and equitable subordination rights, whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code or otherwise, relating to the allowance, classification and treatment of all Allowed Claims and their respective distributions and treatments hereunder are settled, compromised, terminated and released pursuant hereto; provided, however, that nothing contained herein shall preclude any Person or Entity from exercising their rights pursuant to and consistent with the terms of this Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under or in connection with this Plan.

In accordance with the provisions of this Plan, including Article VIII hereof, and pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, without any further notice to or action, order or approval of the Bankruptcy Court, after the Effective Date (1) the Reorganized Debtors may, in their sole and absolute discretion, compromise and settle Claims against them and (2) the Reorganized Debtors may, in their sole and absolute discretion, compromise and settle Causes of Action against other Entities.

*B. Release*

EFFECTIVE AS OF THE EFFECTIVE DATE, FOR GOOD AND VALUABLE CONSIDERATION PROVIDED BY EACH OF THE RELEASED PARTIES, THE ADEQUACY OF WHICH IS HEREBY CONFIRMED, THE DEBTORS AND REORGANIZED DEBTORS, IN THEIR INDIVIDUAL CAPACITIES AND AS DEBTORS-IN-POSSESSION, AND THE HOLDERS OF CLAIMS OR EQUITY INTERESTS, AND EACH OF THEIR RESPECTIVE RELATED PERSONS (COLLECTIVELY, THE "RELEASING PARTIES") WILL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER PROVIDED A FULL DISCHARGE, WAIVER AND RELEASE TO THE RELEASED PARTIES (AND EACH SUCH RELEASED PARTY SO RELEASED SHALL BE DEEMED FOREVER RELEASED, WAIVED AND DISCHARGED BY THE RELEASING PARTIES) AND THEIR RESPECTIVE PROPERTIES FROM ANY AND ALL CLAIMS, CAUSES OF ACTION, LITIGATION CLAIMS AND ANY OTHER DEBTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, ACTIONS, REMEDIES, AND LIABILITIES WHATSOEVER, WHETHER

KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING AS OF THE EFFECTIVE DATE OR THEREAFTER ARISING, IN LAW, AT EQUITY, WHETHER FOR TORT, CONTRACT, OR OTHERWISE, BASED IN WHOLE OR IN PART UPON ANY ACT OR OMISSION, TRANSACTION, OR OTHER OCCURRENCE OR CIRCUMSTANCES EXISTING OR TAKING PLACE PRIOR TO OR ON THE EFFECTIVE DATE ARISING FROM OR RELATED IN ANY WAY IN WHOLE OR IN PART TO THE DEBTORS, THE CHAPTER 11 CASE, THE DISCLOSURE STATEMENT, THIS PLAN OR THE SOLICITATION OF VOTES ON THIS PLAN THAT SUCH RELEASING PARTY WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR THAT ANY HOLDER OF A CLAIM OR EQUITY INTEREST OR OTHER ENTITY WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT FOR OR ON BEHALF OF THE DEBTORS, THEIR ESTATES OR THE REORGANIZED DEBTORS (WHETHER DIRECTLY OR DERIVATIVELY) AGAINST ANY OF THE RELEASED PARTIES; PROVIDED, HOWEVER, THAT THE FOREGOING PROVISIONS OF THIS RELEASE SHALL NOT OPERATE TO WAIVE OR RELEASE (I) ANY CAUSES OF ACTION EXPRESSLY SET FORTH IN AND PRESERVED BY THIS PLAN OR THE PLAN SUPPLEMENT; (II) ANY CAUSES OF ACTION ARISING FROM FRAUD OR WILLFUL MISCONDUCT AS DETERMINED BY FINAL ORDER OF THE BANKRUPTCY COURT OR ANY OTHER COURT OF COMPETENT JURISDICTION; AND/OR (III) THE RIGHTS OF SUCH RELEASING PARTY TO ENFORCE THIS PLAN AND THE CONTRACTS, INSTRUMENTS, RELEASES, INDENTURES, AND OTHER AGREEMENTS OR DOCUMENTS DELIVERED UNDER OR IN CONNECTION WITH THIS PLAN OR ASSUMED PURSUANT TO THIS PLAN OR ASSUMED PURSUANT TO FINAL ORDER OF THE BANKRUPTCY COURT. THE FOREGOING RELEASE SHALL BE EFFECTIVE AS OF THE EFFECTIVE DATE WITHOUT FURTHER NOTICE TO OR ORDER OF THE BANKRUPTCY COURT, ACT OR ACTION UNDER APPLICABLE LAW, REGULATION, ORDER, OR RULE OR THE VOTE, CONSENT, AUTHORIZATION OR APPROVAL OF ANY PERSON AND THE CONFIRMATION ORDER WILL PERMANENTLY ENJOIN THE COMMENCEMENT OR PROSECUTION BY ANY PERSON OR ENTITY, WHETHER DIRECTLY, DERIVATIVELY OR OTHERWISE, OF ANY CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION, OR LIABILITIES RELEASED PURSUANT TO THIS RELEASE. IN ADDITION, THE DEBTORS, ON BEHALF OF THE DEBTORS, THEIR ESTATES, AND THE REORGANIZED DEBTORS, HEREBY RELEASE AND WAIVE ANY AND ALL AVOIDANCE ACTIONS AGAINST ANY AND ALL PERSONS.

*C. Discharge of Claims*

To the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code, except as otherwise expressly provided by this Plan or the Confirmation Order, all consideration distributed under this Plan shall be in exchange for, and in complete satisfaction, settlement, discharge, and release of, all Claims and Equity Interests of any kind or nature whatsoever against the Debtors or any of their assets or properties, and regardless of whether any property shall have been distributed or retained pursuant to this Plan on account of such Claims or Equity Interests. Except as otherwise expressly provided by this Plan or the Confirmation Order, upon the Effective Date, the Debtors and their Estates shall be deemed discharged and released under and to the fullest extent provided under section

1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code from any and all Claims and Equity Interests of any kind or nature whatsoever, including, but not limited to, demands and liabilities that arose before the Confirmation Date, and all debts of the kind specified in section 502(g), 502(h), or 502(i) of the Bankruptcy Code.

*D. Exculpation*

The Exculpated Parties shall neither have nor incur any liability to any Entity for any claims or Causes of Action arising before, on or after the Petition Date and prior to or on the Effective Date for any act taken or omitted to be taken in connection with, or related to formulating, negotiating, preparing, disseminating, implementing, administering, confirming or effecting the Consummation of this Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into in connection with this Plan or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors, the approval of the Disclosure Statement or confirmation or Consummation of this Plan; *provided, however,* that the foregoing provisions shall have no effect on the liability of any Entity that results from any such act or omission that is determined in a Final Order of the Bankruptcy Court or other court of competent jurisdiction to have constituted gross negligence or willful misconduct; *provided, further*, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning its duties pursuant to, or in connection with, the above referenced documents, actions or inactions; *provided, further, however* that the foregoing provisions shall not apply to any acts, omissions, Claims, Causes of Action or other obligations expressly set forth in and preserved by this Plan or the Plan Supplement.

*E. Preservation of Rights of Action*

1. Maintenance of Causes of Action

Except as otherwise provided in this Article X or elsewhere in this Plan or the Confirmation Order, after the Effective Date, the Reorganized Debtors shall retain all rights to commence, pursue, litigate or settle, as appropriate, any and all Causes of Action and Litigation Claims, whether existing as of the Petition Date or thereafter arising, in any court or other tribunal including, without limitation, in an adversary proceeding Filed in the Chapter 11 Case. The Reorganized Debtors, as the successors in interest to the Debtors and the Estates, may, and shall have the exclusive right to, enforce, sue on, settle, compromise, transfer or assign (or decline to do any of the foregoing) any or all of the Litigation Claims without notice to or approval from the Bankruptcy Court. The Litigation Claims include, without limitation, the claims set forth on Plan Schedule 2.

2. Preservation of All Causes of Action Not Expressly Settled or Released

Unless a Cause of Action or Litigation Claim against a Holder of a Claim or an Equity Interest or other Entity is expressly waived, relinquished, released, compromised or settled in this Plan or any Final Order (including, without limitation, the Confirmation Order), the Debtors expressly reserve such Cause of Action or Litigation Claim for later adjudication by the Debtors or the Reorganized Debtors (including, without limitation, Causes of Action and Litigation

Claims not specifically identified or of which the Debtors may presently be unaware or which may arise or exist by reason of additional facts or circumstances unknown to the Debtors at this time or facts or circumstances that may change or be different from those the Debtors now believe to exist) and, therefore, no preclusion doctrine, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches shall apply to such Causes of Action or Litigation Claims upon or after the confirmation of this Plan or Consummation of this Plan based on the Disclosure Statement, this Plan or the Confirmation Order, except where such Causes of Action or Litigation Claims have been expressly released in this Plan (including, without limitation, and for the avoidance of doubt, the Release contained in Article X.B hereof) or any other Final Order (including, without limitation, the Confirmation Order). In addition, the Debtors and the Reorganized Debtors expressly reserve the right to pursue or adopt any claims alleged in any lawsuit in which any Debtor is a plaintiff, defendant or an interested party, against any Entity, including, without limitation, the plaintiffs or co-defendants in such lawsuits.

*F. Injunction*

EXCEPT AS OTHERWISE PROVIDED IN THIS PLAN, FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION OR OTHER PROCEEDING, OR CREATING, PERFECTING OR ENFORCING ANY LIEN OF ANY KIND, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, EQUITY INTEREST, OR REMEDY RELEASED OR TO BE RELEASED, EXCULPATED OR TO BE EXCULPATED, OR DISCHARGED OR TO BE DISCHARGED PURSUANT TO THIS PLAN OR THE CONFIRMATION ORDER. BY ACCEPTING DISTRIBUTIONS PURSUANT TO THIS PLAN, EACH HOLDER OF AN ALLOWED CLAIM OR EQUITY INTEREST WILL BE DEEMED TO HAVE SPECIFICALLY CONSENTED TO THIS INJUNCTION. ALL INJUNCTIONS OR STAYS PROVIDED FOR IN THE CHAPTER 11 CASE UNDER SECTION 105 OR 362 OF THE BANKRUPTCY CODE, OR OTHERWISE, AND IN EXISTENCE ON THE CONFIRMATION DATE, SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL THE EFFECTIVE DATE.

*G. Binding Nature Of Plan*

ON THE EFFECTIVE DATE, AND EFFECTIVE AS OF THE EFFECTIVE DATE, THIS PLAN SHALL BIND, AND SHALL BE DEEMED BINDING UPON, ALL HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS, AND SUCH HOLDER'S RESPECTIVE SUCCESSORS AND ASSIGNS, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NOTWITHSTANDING WHETHER OR NOT SUCH HOLDER (I) WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THIS PLAN, (II) HAS FILED A PROOF OF CLAIM OR INTEREST IN THE CHAPTER 11 CASE OR (III) FAILED TO VOTE TO ACCEPT OR REJECT THIS PLAN OR AFFIRMATIVELY VOTED TO REJECT THIS PLAN.

## ARTICLE XI.

## RETENTION OF JURISDICTION

Pursuant to sections 105(c) and 1142 of the Bankruptcy Code and notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall, after the Effective Date, retain such jurisdiction over the Chapter 11 Cases and all Entities with respect to all matters related to the Chapter 11 Cases, the Debtors and this Plan as legally permissible, including, without limitation, jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Equity Interest, including, without limitation, the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of any Claim or Equity Interest;

2. grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or this Plan, for periods ending on or before the Confirmation Date; *provided, however*, that, from and after the Effective Date, the Reorganized Debtors shall pay Professionals in the ordinary course of business for any work performed after the Effective Date and such payment shall not be subject to the approval of the Bankruptcy Court;

3. resolve any matters related to the assumption, assignment or rejection of any Executory Contract or Unexpired Lease to which any Debtor is party or with respect to which any Debtor or Reorganized Debtor may be liable and to adjudicate and, if necessary, liquidate, any Claims arising therefrom, including, without limitation, those matters related to any amendment to this Plan after the Effective Date to add Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed;

4. resolve any issues related to any matters adjudicated in the Chapter 11 Cases;

5. ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of this Plan;

6. decide or resolve any motions, adversary proceedings, contested or litigated matters and any other Causes of Action that are pending as of the Effective Date or that may be commenced in the future, and grant or deny any applications involving the Debtors that may be pending on the Effective Date or instituted by the Reorganized Debtors after the Effective Date, *provided* that the Reorganized Debtors shall reserve the right to commence actions in all appropriate forums and jurisdictions;

7. enter such orders as may be necessary or appropriate to implement or consummate the provisions of this Plan and all other contracts, instruments, releases, indentures and other agreements or documents adopted in connection with this Plan, the Plan Supplement or the Disclosure Statement;

8. resolve any cases, controversies, suits or disputes that may arise in connection with the Consummation, interpretation or enforcement of this Plan or any Entity's obligations

incurred in connection with this Plan; *provided, however,* that any dispute arising under or in connection with the Restructured Credit Facility shall be dealt with in accordance with the provisions of the applicable document;

9. hear and determine all Causes of Action that are pending as of the Effective Date or that may be commenced in the future;

10. issue injunctions and enforce them, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of this Plan, except as otherwise provided in this Plan;

11. enforce the terms and condition of this Plan and the Confirmation Order;

12. resolve any cases, controversies, suits or disputes with respect to the Release, the Exculpation, the Indemnification and other provisions contained in Article X hereof and enter such orders or take such others actions as may be necessary or appropriate to implement or enforce all such releases, injunctions and other provisions;

13. hear and determine the Litigation Claims by or on behalf of the Debtors or Reorganized Debtors;

14. enter and implement such orders or take such others actions as may be necessary or appropriate if the Confirmation Order is modified, stayed, reversed, revoked or vacated;

15. resolve any other matters that may arise in connection with or relate to this Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document adopted in connection with this Plan or the Disclosure Statement; *provided, however,* that any dispute arising under or in connection with the Restructured Credit Facility shall be dealt with in accordance with the provisions of the applicable document; and

16. enter an order concluding or closing the Chapter 11 Cases.

## ARTICLE XII.

## MISCELLANEOUS PROVISIONS

*A. Dissolution of the Committee*

After the Effective Date, the Committee shall dissolve automatically and its members shall be released and discharged from all rights, duties and responsibilities arising from, or related to, the Chapter 11 Cases.

*B. Payment of Statutory Fees*

All outstanding fees payable pursuant to section 1930 of title 28, United States Code shall be paid on the Effective Date. All such fees payable after the Effective Date shall be paid prior to the closing of the Chapter 11 Case when due or as soon thereafter as practicable.

*C. Payment of Fees and Expenses of Indenture Trustee*

On the Effective Date or as soon as reasonably practicable thereafter (and, thereafter, upon request by the Indenture Trustee with respect to fees and expenses of the Indenture Trustee relating to post-Effective Date service under this Plan), the Reorganized Debtors shall pay in full in Cash all outstanding reasonable and documented fees and expenses of the Indenture Trustee and its counsel.

*D. Modification of Plan*

Effective as of the date hereof and subject to the limitations and rights contained in this Plan: (a) the Debtors reserve the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules, to amend or modify this Plan prior to the entry of the Confirmation Order; and (b) after the entry of the Confirmation Order, the Debtors or the Reorganized Debtors, as applicable, may, after notice and hearing and entry of an order of the Bankruptcy Court, amend or modify this Plan, in accordance with section 1127(b) of the Bankruptcy Code or remedy any defect or omission or reconcile any inconsistency in this Plan in such manner as may be necessary to carry out the purpose and intent of this Plan. A Holder of a Claim or Equity Interest that has accepted this Plan shall be deemed to have accepted this Plan, as altered, amended or modified, if the proposed alteration, amendment or modification does not materially and adversely change the treatment of such Claim or Equity Interest of such Holder.

*E. Revocation of Plan*

The Debtors reserve the right to revoke or withdraw this Plan prior to the Confirmation Date and to File subsequent chapter 11 plans; provided that such revocation complies with the applicable support agreements and the Backstop Commitment Agreement. If the Debtors revoke or withdraw this Plan, or if confirmation of this Plan or Consummation of this Plan does not occur, then: (1) this Plan shall be null and void in all respects; (2) any settlement or compromise embodied in this Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by this Plan and any document or agreement executed pursuant hereto shall be deemed null and void except as may be set forth in a separate order entered by the Bankruptcy Court; and (3) nothing contained in this Plan shall: (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the Debtors or any other Entity; (b) prejudice in any manner the rights of the Debtors or any other Entity; or (c) constitute an admission, acknowledgement, offer or undertaking of any sort by the Debtors or any other Entity.

*F. Successors and Assigns*

This Plan shall be binding upon and inure to the benefit of the Debtors, and their respective successors and assigns, including, without limitation, the Reorganized Debtors. The rights, benefits, and obligations of any Person or Entity named or referred to in this Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor, or assign of such Person or Entity.

*G. Reservation of Rights*

Except as expressly set forth herein, this Plan shall have no force or effect unless and until the Bankruptcy Court enters the Confirmation Order and this Plan is Consummated. Neither the filing of this Plan, any statement or provision contained herein, nor the taking of any action by the Debtors or any other Entity with respect to this Plan shall be or shall be deemed to be an admission or waiver of any rights of: (1) the Debtors with respect to the Holders of Claims or Equity Interests or other Entity; or (2) any Holder of a Claim or an Equity Interest or other Entity prior to the Effective Date.

*H. Further Assurances*

The Debtors or the Reorganized Debtors, as applicable, all Holders of Claims and Equity Interests receiving distributions hereunder and all other Entities shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of this Plan or the Confirmation Order. On or before the Effective Date, the Debtors shall File with the Bankruptcy Court all agreements and other documents that may be necessary or appropriate to effectuate and further evidence the terms and conditions hereof.

*I. Severability*

If, prior to the Confirmation Date, any term or provision of this Plan is determined by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court will have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision will then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order will constitute a judicial determination and will provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

*J. Service of Documents*

All notices, requests, and demands to or upon the Debtors or the Reorganized Debtors to be effective shall be in writing and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

Accuride Corporation
77140 Office Circle
Evansville, IN 47715
Attn: General Counsel
Fax: 812-962-5470

**with copies to**:

Latham & Watkins LLP
233 S. Wacker Drive, Suite 5800
Chicago, Illinois 60606
Attn: David S. Heller
Josef S. Athanas
Caroline A. Reckler
Fax: 312-993-9767

*K. Exemption from Certain Transfer Taxes Pursuant to Section 1146(a) of the Bankruptcy Code*

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant hereto shall not be subject to any Stamp or Similar Tax or governmental assessment in the United States, and the Confirmation Order shall direct the appropriate federal, state or local governmental officials or agents to forgo the collection of any such Stamp or Similar Tax or governmental assessment and to accept for filing and recordation instruments or other documents pursuant to such transfers of property without the payment of any such Stamp or Similar Tax or governmental assessment. Such exemption specifically applies, without limitation, to (i) all actions, agreements and documents necessary to evidence and implement the provisions of and the distributions to be made under this Plan, including the Restructured Credit Facility (ii) the issuance of New Common Stock, New Warrants and New Notes (under this Plan and pursuant to the Rights Offering) and (iii) the maintenance or creation of security or any Lien as contemplated by the Restructured Credit Facility.

*L. Governing Law*

Except to the extent that the Bankruptcy Code, the Bankruptcy Rules or other federal law is applicable, or to the extent that an exhibit or schedule to this Plan provides otherwise, the rights and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, the laws of Delaware, without giving effect to the principles of conflicts of law of such jurisdiction.

*M. Tax Reporting and Compliance*

The Reorganized Debtors are hereby authorized, on behalf of the Debtors, to request an expedited determination under section 505(b) of the Bankruptcy Code of the tax liability of the Debtors are for all taxable periods ending after the Petition Date through, and including, the Effective Date.

*N. Schedules*

All exhibits and schedules to this Plan, including the Exhibits and Plan Schedules, are incorporated and are a part of this Plan as if set forth in full herein.

*O. No Strict Construction*

This Plan is the product of extensive discussions and negotiations between and among, *inter alia*, the Debtors, the Backstop Investors, the Ad Hoc Noteholders Group, the Requisite Independent Supporting Lenders and the Committee and their respective professionals. Each of the foregoing was represented by counsel of its choice who either (a) participated in the formulation and documentation of, or (b) was afforded the opportunity to review and provide comments on, this Plan, the Disclosure Statement, Exhibits and Plan Schedules, and the agreements and documents ancillary or related thereto. Accordingly, unless explicitly indicated otherwise, the general rule of contract construction known as "contra proferentem" or other rule of strict construction shall not apply to the construction or interpretation of any provision of this Plan, the Disclosure Statement, Exhibits and Plan Schedules, and the documents ancillary and related thereto.

*P. Conflicts*

In the event that a provision of the Disclosure Statement conflicts with a provision of this Plan, the terms of this Plan shall govern and control to the extent of such conflict.

Dated: _____ ___, 2009

Respectfully submitted,

ACCURIDE CORPORATION, on behalf of itself and its direct and indirect subsidiaries listed below

By: _____

Title: _____

Accuride Cuyahoga Falls, Inc., a Delaware corporation
Accuride Distributing, LLC, a Delaware limited liability company
Accuride EMI, LLC, a Delaware limited liability company
Accuride Erie L.P., a Delaware limited partnership
Accuride Henderson Limited Liability Company, a Delaware limited liability company
AKW General Partner L.L.C., a Delaware limited liability company
AOT Inc., a Delaware corporation
Bostrom Holdings, Inc., a Delaware corporation
Bostrom Seating, Inc., a Delaware corporation
Bostrom Specialty Seating, Inc., a Delaware corporation
Brillion Iron Works, Inc., a Delaware corporation
Erie Land Holding, Inc., a Delaware corporation
Fabco Automotive Corporation, a Delaware corporation
Gunite Corporation, a Delaware corporation
Imperial Group Holding Corp. -1, a Delaware corporation
Imperial Group Holding Corp. -2, a Delaware corporation
Imperial Group, L.P., a Delaware limited partnership
JAII Management Company, a Delaware corporation
Transportation Technologies Industries, Inc., a Delaware corporation
Truck Components Inc., a Delaware corporation

## Plan Schedule 1

List of Debtors

The Debtors, along with the last four digits of each Debtor's federal tax identification number, are: Accuride Corporation, a Delaware corporation (9077); Accuride Cuyahoga Falls, Inc., a Delaware corporation (9556); Accuride Distributing, LLC, a Delaware limited liability company (3124); Accuride EMI, LLC, a Delaware limited liability company (N/A); Accuride Erie L.P., a Delaware limited partnership (4862); Accuride Henderson Limited Liability Company, a Delaware limited liability company (8596); AKW General Partner L.L.C., a Delaware limited liability company (4861); AOT Inc., a Delaware corporation (3088); Bostrom Holdings, Inc., a Delaware corporation (9282); Bostrom Seating, Inc., a Delaware corporation (7179); Bostrom Specialty Seating, Inc., a Delaware corporation (4182); Brillion Iron Works, Inc., a Delaware corporation (6942); Erie Land Holding, Inc., a Delaware corporation (8018); Fabco Automotive Corporation, a Delaware corporation (9802); Gunite Corporation, a Delaware corporation (9803); Imperial Group Holding Corp. -1, a Delaware corporation (4007); Imperial Group Holding Corp. -2, a Delaware corporation (4009); Imperial Group, L.P., a Delaware limited partnership (4012); JAII Management Company, a Delaware corporation (N/A); Transportation Technologies Industries, Inc., a Delaware corporation (2791); and Truck Components Inc., a Delaware corporation (5407).

# Plan Schedule 2

Non-Exclusive List of Litigation Claims Retained by Reorganized Debtors

[To Be Filed With Plan Supplement]

## Plan Schedule 3

Non-Released Parties

None.

[Additional Non-Released Parties To Be Filed With Plan Supplement]

# Plan Schedule 4

New Board of Reorganized Accuride

[To Be Filed With Plan Supplement]

# Plan Schedule 5

Non-Exclusive List of Rejected Executory Contracts and Unexpired Leases

| Lessor | Lessor Address | Description of Lease | Term |
|---|---|---|---|
| CE Capital Group, LLC | Bristol Rail Associates, LLC<br>3930 Edison Lakes Parkway<br>Suite 200<br>Mishawaka, IN 46545<br>Attn: George S. Cressy, Jr. | Lease of real property in Bristol, IN dated August 19, 2003. | Lease expires in April 11, 2019. |
| Northgate Investors, LLC | Northgate Investors, LLC<br>Attn: Lee Paradise<br>P.O. Box 426<br>Joelton, TN 37080 | Lease of real property in Madison, TN dated February 12, 2007. | Lease expires February 11, 2010. |
| Fink Management Company | Fink Management Company<br>2331 Sylvan Lane<br>Elkhart, IN 46514<br>Attn: Elizabeth S. Fink | Lease of real property in Elkhart, IN dated August 13, 2002. | Lease expires September 30, 2009. |
| Taylor Land & Co. | Taylor Land & Co.<br>28860 Southfield Rd, Ste 262<br>Southfield, MI 48076<br>Attn: Carl Grenadier | Lease of real property in Taylor, MI dated October 19, 1989. | Lease expires November 30, 2009. |
| Sarum Management, Inc. | Sarum Management, Inc.<br>75 Marc Avenue<br>Cuyahoga Falls, OH 44223<br>Attn: Michael Bell<br><br>-and-<br><br>Amer Cunningham Co., L.P.A.<br>159 S. Main Street, Suite 1100<br>Akron, OH 44308 | Lease of real property in Cuyahoga Falls, OH dated January 1, 2008. | Lease expires June 30, 2011 |
| Industrial Realty Partners, LLC | 330 Franklin Road<br>Suite 135A-398<br>Brentwood, TN 37027<br>Attn: Joe Hicks<br>Attn: Fred Culbreath<br><br>- and –<br><br>6106 Johnson Chapel Road<br>Brentwood, TN 37072 | Lease of real property in Portland, TN dated May 12, 2000 | Lease expires August 31, 2015 |
| Viking Properties/Woodward Realty | Woodward, LLC<br>7321 Eagle Crest Boulevard<br>Evansville, IN 47715<br>Attn: Robert Woodward, Jr. | Lease of real property in Evansville, IN dated June 1, 2008 | Lease expires May 30, 2023 |

# Exhibit A
## Amended Organizational Documents

# AMENDED AND RESTATED
# CERTIFICATE OF INCORPORATION
# OF
# ACCURIDE CORPORATION

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It is hereby certified that:

**1:** The name of the corporation (hereinafter called the "Corporation") is Accuride Corporation.

**2:** The Corporation was incorporated on November 14, 1986 under the name "United States Wheel Corp.".

**3:** The provision for making this Amended and Restated Certificate of Incorporation is contained in the Chapter 11 Joint Plan of Reorganization for Accuride Corporation, et al., as approved by the United States Bankruptcy Court for the District of Delaware on [____], 2010.

**4:** Pursuant to Sections 242, 245 and 303 of the General Corporation Law of the State of Delaware, the Certificate of Incorporation of the Corporation is hereby amended and restated in its entirety to read as follows:

## ARTICLE I

NAME

The name of the corporation is Accuride Corporation (the "Corporation").

## ARTICLE II

REGISTERED OFFICE

The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle, and the name of its registered agent at that address is The Corporation Trust Company.

## ARTICLE III

PURPOSE

The purpose of the Corporation is to engage in any lawful activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the "DGCL").

## ARTICLE IV

CAPITAL STOCK

Section 1. Authorized Shares. This Corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which the Corporation is authorized to issue is **[•]** million (**[•]**) shares, of which **[•]** million (**[•]**) shares shall be Common Stock and **[•]** million (**[•]**) shares shall be Preferred Stock. The Common Stock shall have a par value of one cent ($0.01) per share and the Preferred Stock shall have a par value of one cent ($0.01) per share.

Section 2. Common Stock. Except as otherwise provided in this Amended and Restated Certificate of Incorporation or by applicable law, the voting, dividend and liquidation rights of the holders of Common Stock are as follows:

(a) *Voting Rights*. Each record holder of Common Stock shall be entitled at any annual or special meeting of stockholders with respect to each share of Common Stock held by such holder as of the applicable record date, to one vote per share in person or by proxy on all matters submitted to a vote of the stockholders of the Corporation. There shall be no cumulative voting. The Corporation shall not issue any non-voting equity securities.

Notwithstanding the foregoing, except as otherwise required by applicable law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Amended and Restated Certificate of Incorporation (including any Certificate of Designations (as defined below) filed with the Secretary of State establishing the terms of a series of Preferred Stock in accordance with Section 3 of this Article IV) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series of Preferred Stock are entitled, either separately or together with the holders of one or more other such series, to vote

thereon pursuant to applicable law or this Amended and Restated Certificate of Incorporation (including any certificate filed with the Secretary of State establishing the terms of a series of Preferred Stock in accordance with Section 3 of this Article IV).

(b) *Dividends and Distributions*. Except as may be provided in any Certificate of Designations for any series of Preferred Stock outstanding at the time, the holders of Common Stock shall be entitled to receive such dividends and other distributions in cash, property or shares of stock of the Corporation as may be declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor.

(c) *Liquidation Rights*. Except as may be provided in any Certificate of Designations for any series of Preferred Stock outstanding at the time, in the event of any dissolution, liquidation or winding-up of the affairs of the Corporation, whether voluntary or involuntary, after payment or provision for payment of the debts and other liabilities of the Corporation, the remaining assets and funds of the Corporation, if any, shall be divided among and paid ratably to the holders of Common Stock then outstanding in proportion to the number of shares held by them.

Section 3. Preferred Stock. The Board of Directors is authorized, subject to limitations prescribed by law, to provide by resolution or resolutions for the issuance of a share or shares of Preferred Stock in one or more series and, by filing a certificate of designation with the Secretary of State pursuant to the DGCL setting forth a copy of such resolution or resolutions (a "Certificate of Designations"), to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences, and rights of the shares of each such series and the qualifications, limitations, and restrictions thereof. Each series of the Preferred Stock shall be appropriately designated by a distinguishing letter or title, prior to the issue of any shares thereof. The authority of the Board of Directors with respect to the Preferred Stock and any series shall include, but not be limited to, determination of the following:

(a) the number of shares constituting any series and the distinctive designation of that series;

(b) the dividend rate on the shares of any series, whether dividends shall be cumulative, the conditions and date or dates, and the relative rights of priority, if any, of payment of dividends on shares of that series;

(c) the voting rights for the shares of any series, in addition to the voting rights provided by applicable law, and the number of votes per share and the terms and conditions of such voting rights;

(d) whether any series shall have conversion privileges and, if so, the terms and conditions of conversion, including provision for adjustment of the conversion rate upon such events as the Board of Directors shall determine;

(e) whether the shares of any series shall be redeemable and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;

(f) whether any series shall have a sinking fund for the redemption or purchase of shares of that series, and, if so, the terms and amount of such sinking fund;

(g) the rights of the shares of any series in the event of voluntary or involuntary dissolution or winding up of the Corporation, and the relative rights of priority, if any, of payment of shares of that series; and

(h) any other powers, preferences, rights, qualifications, limitations, and restrictions of any series.

Notwithstanding the provisions of Section 242(b)(2) of the DGCL, the number of authorized shares of Preferred Stock and Common Stock may, without a class or series vote, be increased or decreased (but not below the number of shares thereof then outstanding) from time to time by the affirmative vote of the holders of at least a majority of the voting power of the Corporation's then outstanding capital stock, voting together as a single class.

Section 4. 7.5% Senior Convertible Notes. In addition to the foregoing, so long as any obligations under the Corporation's 7.5% Senior Convertible Notes due 2020 (the "Convertible Notes"), outstanding pursuant to that certain Indenture, dated as of [ ], 2010, by and between the Corporation and [ ] (the "Convertible Notes Indenture") remain outstanding and not discharged in full, the holders of the Convertible Notes shall have the right to vote, as provided herein pursuant to Section 221 of the DGCL. The holders of the Convertible Notes shall be entitled to vote upon all matters upon which holders of any class or classes of Common Stock have the right to vote. The number of votes represented by each Convertible Note shall be equal to the largest number of whole shares of Common Stock (rounded down to the nearest whole share) into which such Convertible Note may be converted, in accordance with the Convertible Notes Indenture, at the record date for the determination of the stockholders entitled to vote on such matters or, if no such record date is established, at the date such vote is taken. Except as provided in this Section 4 or as otherwise required by applicable law, the holders of the Convertible Notes shall have no right or power to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting.

## ARTICLE V

## BOARD OF DIRECTORS

Section 1. Powers of the Board. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred upon them by applicable law or by this Amended and Restated

Certificate of Incorporation or the Bylaws of the Corporation, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation.

Section 2. Number of Directors. The total number of directors constituting the entire Board of Directors shall be determined as set forth in the Bylaws of the Corporation, with the precise number of directors to be determined from time to time exclusively by a vote of a majority of the entire Board of Directors, but in no case will a decrease in the number of directors shorten the term of any incumbent director.

Section 3. Removal of Directors. Except as may be provided in any Certificate of Designations for any series of Preferred Stock with respect to any directors elected by the holders of such series and except as otherwise required by applicable law, any or all of the directors of the Corporation may be removed from office, with or without cause, only by the affirmative vote of the holders of at least a majority of the voting power of the Corporation's then outstanding capital stock entitled to vote generally in the election of directors, voting together as a single class.

Section 4. Vacancies. Except as may be provided in any Certificate of Designations for any series of Preferred Stock with respect to any directors elected (or to be elected) by the holders of such series, any vacancies in the Board of Directors for any reason and any newly created directorships resulting by reason of any increase in the number of directors may be filled only by the Board of Directors (and not by the stockholders), acting by majority of the remaining directors then in office, although less than a quorum, or by a sole remaining director, and any directors so appointed shall hold office until the next meeting of stockholders at which directors are to be elected and until their successors are elected and qualified.

Section 5. Bylaws. The Board of Directors of the Corporation shall have the power to adopt, amend, alter, change or repeal any and all Bylaws of the Corporation. In addition, the stockholders of the Corporation may adopt, amend, alter, change or repeal any and all Bylaws of the Corporation by the affirmative vote of the holders of at least sixty six and 2/3rds percent (66 2/3$^{rds}$ %) of the voting power of the Corporation's then outstanding capital stock, voting together as a single class.

Section 6. Elections of Directors. Elections of directors need not be by written ballot unless otherwise provided in the Bylaws of the Corporation.

Section 7. Officers. Except as otherwise expressly delegated by resolution of the Board of Directors, the Board of Directors shall have the exclusive power and authority to appoint and remove officers of the Corporation.

## ARTICLE VI

### STOCKHOLDERS

Section 1. Actions by Consent. Except as may be provided in any Certificate of Designations for any series of Preferred Stock, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such stockholders and may not be effected by any written consent in lieu of a meeting by such stockholders.

Section 2. Special Meetings of Stockholders. Except as may be provided in a resolution or resolutions of the Board of Directors providing for any series of Preferred Stock, special meetings of stockholders of the Corporation may be called only by the Chairman of the Board of Directors or by the Secretary upon direction of the Board of Directors pursuant to a resolution adopted by a majority of the entire Board of Directors.

## ARTICLE VII

### DIRECTOR LIABILITY

A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is prohibited by the DGCL as it presently exists or may hereafter be amended; provided, that no subsequent amendment shall adversely affect any right of a director with respect to any event occurring prior to the time of such amendment. Any amendment, modification or repeal of the foregoing sentence shall not adversely affect any right arising prior to the time of such amendment, modification or repeal.

## ARTICLE VIII

### INDEMNIFICATION

Section 1. Right of Indemnification. The Corporation shall indemnify and hold harmless, to the fullest extent not prohibited by applicable law as it presently exists or may hereafter be amended, any person (a "Covered Person") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except as otherwise provided in Section 3 of this Article VIII, the Corporation shall be required to indemnify a Covered Person in connection with a Proceeding (or part thereof) commenced by

such Covered Person only if the commencement of such Proceeding (or part thereof) by the Covered Person was authorized in the specific case by the Board of Directors.

Section 2. Prepayment of Expenses. The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by a Covered Person in defending any Proceeding in advance of its final disposition, provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the Covered Person to repay all amounts advanced if it should be ultimately determined that the Covered Person is not entitled to be indemnified for such amounts under this Article VIII or otherwise.

Section 3. Claims. If a claim for indemnification (following the final disposition of the Proceeding with respect to which indemnification is sought, including any settlement of such Proceeding) or advancement of expenses under this Article VIII is not paid in full within thirty days after a written claim therefor by the Covered Person has been received by the Corporation, the Covered Person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim to the fullest extent not prohibited by applicable law. In any such action the Corporation shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under this Article VIII and applicable law.

Section 4. Non-Exclusivity of Rights. The rights conferred on any Covered Person by this Article VIII shall not be exclusive of any other rights which such Covered Person may have or hereafter acquire under any statute, any other provision of this Amended and Restated Certificate of Incorporation, the Bylaws of the Corporation, or any agreement, vote of stockholders or disinterested directors or otherwise.

Section 5. Amendment or Repeal. Any right to indemnification or to advancement of expenses of any Covered Person arising hereunder shall not be eliminated or impaired by an amendment to or repeal of this Article VIII after the occurrence of the act or omission that is the subject of the Proceeding for which indemnification or advancement of expenses is sought.

Section 6. Other Indemnification and Advancement of Expenses. This Article VIII shall not limit the right of the Corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to persons other than Covered Persons when and as authorized by appropriate corporate action.

## ARTICLE IX

## AMENDMENT

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and, except as otherwise provided in this Amended and Restated

Certificate of Incorporation or by applicable law, all rights conferred on stockholders and/or directors herein are granted subject to this reservation.

* * *

**IN WITNESS WHEREOF, ACCURIDE CORPORATION** has caused this Amended and Restated Certificate of Incorporation to be executed by its duly authorized officer this ___ day of ____, 2010.

**ACCURIDE CORPORATION**

By:_____
Name:
Title:

# AMENDED AND RESTATED BYLAWS

# OF

# ACCURIDE CORPORATION

# (A DELAWARE CORPORATION)

# (_____, 2010)

## TABLE OF CONTENTS

# AMENDED AND RESTATED

# BYLAWS

# OF

# ACCURIDE CORPORATION

# (A DELAWARE CORPORATION)

## ARTICLE I.
## OFFICES

**Section 1.1 Offices.** In addition to the Corporation's registered office in the State of Delaware, as provided for in the Amended and Restated Certificate of Incorporation of the Corporation (the "Certificate of Incorporation"), the Corporation may also have and maintain an office or principal place of business at such place as may be fixed by the Board of Directors, and may also have offices at such other places, both within and without the State of Delaware, as the Board of Directors may from time to time determine or the business of the Corporation may require.

## ARTICLE II.
## CORPORATE SEAL

**Section 2.1 Corporate Seal.** The corporate seal shall consist of a die bearing the name of the Corporation and the inscription, "Corporate Seal-Delaware." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

## ARTICLE III.
## STOCKHOLDERS' MEETING

**Section 3.1 Place of Meetings.** Meetings of the stockholders of the Corporation shall be held at such place, either within or without the State of Delaware, as may be designated from time to time by the Board of Directors. The Board of Directors may determine that the meeting shall not be held at any place, but instead shall be held solely by means of remote communication as provided under the General Corporation Law of the State of Delaware, as amended (the "DGCL").

**Section 3.2 Annual Meeting.** To the extent required by applicable law, an annual meeting of stockholders of the Corporation shall be held each year at such date and time designated by the Board of Directors. At each annual meeting of stockholders, directors shall be elected and any other proper business may be transacted.

**Section 3.3 Notice of Business to be Brought Before a Meeting.**

(a) At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (i) brought before the meeting by the Corporation

and specified in the notice of meeting given by or at the direction of the Board of Directors, (ii) brought before the meeting by or at the direction of the Board of Directors, including by any committees or persons appointed by the Board of Directors, or (iii) otherwise properly brought before the meeting by a stockholder who (A) was a stockholder of record (and, with respect to any beneficial owner, if different, on whose behalf such business is proposed, only if such beneficial owner was the beneficial owner of shares of the Corporation) both at the time of giving the notice provided for in this Section 3.3 and at the time of the meeting, (B) is entitled to vote at the meeting, and (C) has complied with this Section 3.3 as to such business. Except for proposals properly made in accordance with Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (as so amended and inclusive of such rules and regulations, the "Exchange Act"), and included in the notice of meeting given by or at the direction of the Board of Directors, the foregoing clause (iii) shall be the exclusive means for a stockholder to propose business to be brought before an annual meeting of the stockholders. Stockholders shall not be permitted to propose business to be brought before a special meeting of the stockholders, and the only matters that may be brought before a special meeting are the matters specified in the notice of meeting given by or at the direction of the person calling the meeting pursuant to Section 3.5. Stockholders seeking to nominate persons for election to the Board of Directors must comply with Section 3.4, and this Section 3.3 shall not be applicable to nominations except as expressly provided in Section 3.4.

(b) Without qualification, for business to be properly brought before an annual meeting by a stockholder, the stockholder must (i) provide Timely Notice (as defined below) thereof in writing and in proper form to the Secretary of the Corporation, (ii) provide any updates or supplements to such notice at the times and in the forms required by this Section 3.3, (iii) if the stockholder or the beneficial owner, if different, on whose behalf such business is proposed, has provided the Corporation with a Solicitation Notice (as defined in Section 3.3(c)), deliver a proxy statement and form of proxy to holders of at least the percentage of the Corporation's voting shares required under applicable law to carry any such proposal and must have included in such materials the Solicitation Notice, and (iv) if no Solicitation Notice relating thereto has been timely provided to the Corporation, not solicit proxies in support of such proposal. To be timely, a stockholder's notice must be delivered to, or mailed and received at, the principal executive offices of the Corporation not less than ninety days nor more than one hundred twenty days prior to the one-year anniversary of the preceding year's annual meeting; provided, however, that if the date of the annual meeting is more than thirty days before or more than sixty days after such anniversary date, notice by the stockholder to be timely must be so delivered, or mailed and received, not later than the ninetieth day prior to such annual meeting or, if later, the tenth day following the day on which public disclosure of the date of such annual meeting was first made (such notice within such time periods, "Timely Notice"). In no event shall any adjournment of an annual meeting or the announcement thereof commence a new time period for the giving of Timely Notice as described above.

(c) To be in proper form for purposes of this Section 3.3, a stockholder's notice to the Secretary shall set forth:

(1) As to each Proposing Person (as defined below in this Section 3.3(c)), (A) the name and address of such Proposing Person (including, if applicable, the name and address that appear on the Corporation's books and records); (B) the class or series and

number of shares of the Corporation that are, directly or indirectly, owned of record or beneficially owned (within the meaning of Rule 13d-3 under the Exchange Act) by such Proposing Persons, except that such Proposing Person shall in all events be deemed to beneficially own any shares of any class or series of the Corporation as to which such Proposing Person has a right to acquire beneficial ownership at any time in the future; and (C) whether such Proposing Person intends to deliver a proxy statement and form of proxy to holders of at least the percentage of the Corporation's voting shares required under applicable law to carry the proposal (an affirmative statement of such intent, a "Solicitation Notice") (the disclosures to be made pursuant to the foregoing clauses (A) through (C) are referred to as "Stockholder Information");

(2) As to each Proposing Person, (A) any derivative, swap or other transaction or series of transactions engaged in, directly or indirectly, by such Proposing Person, the purpose or effect of which is to give such Proposing Person economic risk similar to ownership of shares of any class or series of the Corporation, including due to the fact that the value of such derivative, swap or other transactions are determined by reference to the price, value or volatility of any shares of any class or series of the Corporation, or which derivative, swap or other transactions provide, directly or indirectly, the opportunity to profit from any increase in the price or value of shares of any class or series of the Corporation ("Synthetic Equity Interests"), which such Synthetic Equity Interests shall be disclosed without regard to whether (x) such derivative, swap or other transactions convey any voting rights in such shares to such Proposing Person, (y) the derivative, swap or other transactions are required to be, or are capable of being, settled through delivery of such shares or (z) such Proposing Person may have entered into other transactions that hedge or mitigate the economic effect of such derivative, swap or other transactions, (B) any proxy (other than a revocable proxy or consent given in response to a solicitation made pursuant to, and in accordance with, Section 14(a) of the Exchange Act by way of a solicitation statement filed on Schedule 14A), agreement, arrangement, understanding or relationship pursuant to which such Proposing Person has or shares a right to vote any shares of any class or series of the Corporation, (C) any agreement, arrangement, understanding or relationship, including any repurchase or similar so-called "stock borrowing" agreement or arrangement, engaged in, directly or indirectly, by such Proposing Person, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of shares of any class or series of the Corporation by, manage the risk of share price changes for, or increase or decrease the voting power of, such Proposing Person with respect to the shares of any class or series of the Corporation, or which provides, directly or indirectly, the opportunity to profit from any decrease in the price or value of the shares of any class or series of the Corporation ("Short Interests"), (D) any performance related fees (other than an asset based fee) that such Proposing Person is entitled to based on any increase or decrease in the price or value of shares of any class or series of the Corporation, or any Synthetic Equity Interests or Short Interests, if any, and (E) any other information relating to such Proposing Person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies or consents by such Proposing Person in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act (the disclosures to be made pursuant to the foregoing clauses (A) through (E) are referred to as "Disclosable Interests"); provided, however, that Disclosable Interests shall not include any such disclosures with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is a

Proposing Person solely as a result of being the stockholder directed to prepare and submit the notice required by these Bylaws on behalf of a beneficial owner; and

(3) As to each item of business that the stockholder proposes to bring before the annual meeting, (A) a reasonably brief description of the business desired to be brought before the annual meeting, the reasons for conducting such business at the annual meeting and any material interest in such business of each Proposing Person, (B) the text of the proposal or business (including the text of any resolutions proposed for consideration), and (C) a reasonably detailed description of all agreements, arrangements and understandings (x) between or among any of the Proposing Persons or (y) between or among any Proposing Person and any other person or entity (including their names) in connection with the proposal of such business by such stockholder.

For purposes of this Section 3.3, the term "Proposing Person" shall mean (i) the stockholder providing the notice of business proposed to be brought before an annual meeting, (ii) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the business proposed to be brought before the annual meeting is made, and (iii) any affiliate or associate (each within the meaning of Rule 12b-2 under the Exchange Act for purposes of these Bylaws) of such stockholder or beneficial owner.

(d) A stockholder providing notice of business proposed to be brought before an annual meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 3.3 shall be true and correct as of the record date for the meeting and as of the date that is ten business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five business days after the record date for the meeting (in the case of the update and supplement required to be made as of the record date), and not later than eight business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (or, if not practicable, on the first practicable date prior to such adjourned or postponed meeting) (in the case of the update and supplement required to be made as of ten business days prior to the meeting or any adjournment or postponement thereof).

(e) Notwithstanding anything in these Bylaws to the contrary, no business shall be conducted at an annual meeting except in accordance with this Section 3.3. The presiding officer of the meeting shall, if the facts warrant, determine that the business was not properly brought before the meeting in accordance with this Section 3.3, and if he or she should so determine, he or she shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

(f) This Section 3.3 is expressly intended to apply to any business proposed to be brought before an annual meeting of stockholders other than any proposal made pursuant to Rule 14a-8 under the Exchange Act. In addition to the requirements of this Section 3.3 with respect to any business proposed to be brought before an annual meeting, each Proposing Person shall comply with all applicable requirements of the Exchange Act with respect to any such business. Nothing in this Section 3.3 shall be deemed to affect the rights of stockholders to

request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

(g) For purposes of these Bylaws, "public disclosure" shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act.

**Section 3.4 Notice of Nominations for Election to the Board of Directors.**

(a) Except as may be provided in the Certificate of Incorporation, nominations of any person for election to the Board of Directors at an annual meeting or at a special meeting (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting) may be made at such meeting only (i) by or at the direction of the Board of Directors, including by any committee or persons appointed by the Board of Directors, or (ii) by a stockholder who (A) was a stockholder of record (and, with respect to any beneficial owner, if different, on whose behalf such nomination is proposed to be made, only if such beneficial owner was the beneficial owner of shares of the Corporation) both at the time of giving the notice provided for in this Section 3.4 and at the time of the meeting, (B) is entitled to vote at the meeting, and (C) has complied with this Section 3.4 as to such nomination. The foregoing clause (ii) shall be the exclusive means for a stockholder to make any nomination of a person or persons for election to the Board of Directors at an annual meeting or special meeting.

(b) Without qualification, for a stockholder to make any nomination of a person or persons for election to the Board of Directors at an annual meeting, the stockholder must (i) provide Timely Notice (as defined in Section 3.3) thereof in writing and in proper form to the Secretary of the Corporation, (ii) provide any updates or supplements to such notice at the times and in the forms required by this Section 3.4, (iii) if the stockholder or the beneficial owner, if different, on whose behalf any such nomination is proposed to be made, has provided the Corporation with a Solicitation Notice (as defined in Section 3.3(c)), deliver a proxy statement and form of proxy to holders of a percentage of the Corporation's voting shares reasonably believed by such stockholder or beneficial owner to be sufficient to elect the nominee or nominees proposed to be nominated by such stockholder and must have included in such materials the Solicitation Notice, and (iv) if no Solicitation Notice relating thereto has been timely provided to the Corporation, not solicit proxies in connection with such nominations. Without qualification, if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting, then for a stockholder to make any nomination of a person or persons for election to the Board of Directors at a special meeting, the stockholder must (i) provide timely notice thereof (as described below) in writing and in proper form to the Secretary of the Corporation at the principal executive offices of the Corporation, (ii) provide any updates or supplements to such notice at the times and in the forms required by this Section 3.4, (iii) if the stockholder or the beneficial owner, if different, on whose behalf any such nomination is proposed to be made, has provided the Corporation with a Solicitation Notice (as defined in Section 3.3(c)), deliver a proxy statement and form of proxy to holders of a percentage of the Corporation's voting shares reasonably believed by such stockholder or beneficial owner to be sufficient to elect the nominee or nominees proposed to be

nominated by such stockholder and must have included in such materials the Solicitation Notice, and (iv) if no Solicitation Notice relating thereto has been timely provided to the Corporation, not solicit proxies in connection with such nominations. To be timely, a stockholder's notice for nominations to be made at a special meeting must be delivered to, or mailed and received at, the principal executive offices of the Corporation not earlier than the one hundred twentieth day prior to such special meeting and not later than the ninetieth day prior to such special meeting or, if later, the tenth day following the day on which public disclosure (as defined in Section 3.3) of the date of such special meeting was first made. In no event shall any adjournment of an annual meeting or special meeting or the announcement thereof commence a new time period for the giving of a stockholder's notice as described above.

(c) To be in proper form for purposes of this Section 3.4, a stockholder's notice to the Secretary shall set forth:

(1) As to each Nominating Person (as defined below), the Stockholder Information (as defined in Section 3.3(c)(1), except that for purposes of this Section 3.4: (A) the term "Nominating Person" shall be substituted for the term "Proposing Person" in all places it appears in Section 3.3(c)(1)) and (B) a Solicitation Notice shall be provided with respect to whether the Nominating Person intends to deliver a proxy statement and form of proxy to holders of at least a percentage of the Corporation's shares reasonably believed by such Nominating Person to be sufficient to elect the nominee or nominees proposed to be nominated by such Nominating Person;

(2) As to each Nominating Person, any Disclosable Interests (as defined in Section 3.3(c)(2), except that for purposes of this Section 3.4 the term "Nominating Person" shall be substituted for the term "Proposing Person" in all places it appears in Section 3.3(c)(2) and the disclosure in clause (E) of Section 3.3(c)(2) shall be made with respect to the election of directors at the meeting);

(3) As to each person whom a Nominating Person proposes to nominate for election as a director, (A) all information with respect to such proposed nominee that would be required to be set forth in a stockholder's notice pursuant to this Section 3.4 if such proposed nominee were a Nominating Person, (B) all information relating to such proposed nominee that is required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14(a) under the Exchange Act (including such proposed nominee's written consent to being named in the proxy statement as a nominee and to serving as a director if elected), and (C) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among any Nominating Person, on the one hand, and each proposed nominee, or his or her respective affiliates and associates, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 under Regulation S-K if such Nominating Person were the "registrant" for purposes of such rule and the proposed nominee were a director or executive officer of such registrant; and

(4) The Corporation may require any proposed nominee to furnish such other information (A) as may reasonably be required by the Corporation to determine the

eligibility of such proposed nominee to serve as an independent director of the Corporation in accordance with the Corporation's Corporate Governance Guidelines or the applicable listing requirements of any securities exchange on with the Corporation's capital stock is listed for trading or (B) that could be material to a reasonable stockholder's understanding of the independence or lack of independence of such proposed nominee.

For purposes of this Section 3.4, the term "Nominating Person" shall mean (i) the stockholder providing the notice of the nomination proposed to be made at the meeting, (ii) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the nomination proposed to be made at the meeting is made, and (iii) any affiliate or associate of such stockholder or beneficial owner.

(d) A stockholder providing notice of any nomination proposed to be made at a meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 3.4 shall be true and correct as of the record date for the meeting and as of the date that is ten business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five business days after the record date for the meeting (in the case of the update and supplement required to be made as of the record date), and not later than eight business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (or, if not practicable, on the first practicable date prior to such adjourned or postponed meeting) (in the case of the update and supplement required to be made as of ten business days prior to the meeting or any adjournment or postponement thereof).

(e) Notwithstanding anything in these Bylaws to the contrary, no person shall be eligible for election as a director of the Corporation unless nominated in accordance with this Section 3.4. The presiding officer at the meeting shall, if the facts warrant, determine that a nomination was not properly made in accordance with this Section 3.4, and if he or she should so determine, he or she shall so declare such determination to the meeting and the defective nomination shall be disregarded.

(f) In addition to the requirements of this Section 3.4 with respect to any nomination proposed to be made at a meeting, each Nominating Person shall comply with all applicable requirements of the Exchange Act with respect to any such nominations.

**Section 3.5 Special Meetings.** Except as may be provided in a resolution or resolutions of the Board of Directors providing for any series of Preferred Stock, special meetings of stockholders of the Corporation may be called only by the Chairman of the Board of Directors or by the Secretary upon direction of the Board of Directors pursuant to a resolution adopted by a majority of the entire Board of Directors. Stockholders shall not be permitted to call special meetings, or propose business to be brought before a special meeting, and the only matters that may be considered at any special meeting of the stockholders are the matters specified in the notice of the meeting given by or at the direction of the person calling the meeting pursuant to this Section 3.5.

**Section 3.6 Notice of Meetings.**

(a) Notice. Except as otherwise required by law, the Certificate of Incorporation or these Bylaws, written, printed or electronic notice stating the place, if any, date and hour of the meeting, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be prepared and delivered by the Corporation not less than ten nor more than sixty days before the date of the meeting, either personally, by mail, or in the case of stockholders who have consented to such delivery, by electronic transmission (as such term is defined in the DGCL), to each stockholder of record entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting, such notice to specify the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at any such meeting.

(b) Notice Deemed Received. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid, addressed to the stockholder at such address as it appears on the records of the Corporation. Notice given by electronic transmission shall be effective (i) if by facsimile, when faxed to a number where the stockholder has consented to receive notice; (ii) if by electronic mail, when mailed electronically to an electronic mail address at which the stockholder has consented to receive such notice; (iii) if by posting on an electronic network together with a separate notice of such posting, upon the later to occur of the posting or the giving of separate notice of the posting; or (iv) if by other form of electronic transmission, when directed to the stockholder in the manner consented to by the stockholder.

(c) Waiver of Notice. Notice of the date, hour and place, if any, and, if applicable, the purpose of any meeting of stockholders may be waived in writing, signed by the person entitled to notice thereof, or by electronic transmission by such person, either before or after such meeting, and will be waived by any such stockholder's attendance at the meeting in person, by remote communication, if applicable, or by proxy, except if the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of such meeting shall be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

(d) Postponement; Cancellation. Any previously scheduled meeting of stockholders may be postponed, and, unless otherwise prohibited by applicable law or the Certificate of Incorporation, may be cancelled by resolution duly adopted by a majority of the Board of Directors, upon public notice given prior to the date previously scheduled for such meeting of stockholders.

**Section 3.7 Quorum and Adjournment**. Unless otherwise provided in the Certificate of Incorporation or these Bylaws or required by applicable law, holders of a majority of the voting power of the issued and outstanding shares of capital stock of the Corporation entitled to vote at the meeting, voting together as a single class, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of stockholders. If such quorum is not so present or represented at any meeting of stockholders, then the chairman of the meeting or the holders of a majority in voting power of the shares present in person or

represented by proxy at the meeting, voting together as a single class, shall have power to adjourn the meeting from time to time until a quorum is so present or represented. When a meeting is adjourned to another time or place, if any, notice need not be given of the adjourned meeting if the time and place, if any, of such adjourned meeting, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At such adjourned meeting at which a quorum is so present or represented, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty days a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall also fix a new record date for determining the stockholders entitled to notice of such adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date for notice of such adjourned meeting.

**Section 3.8 Voting.** Each stockholder shall be entitled to that number of votes for each share of capital stock held by such stockholder as set forth in the Certificate of Incorporation. In all matters, other than the election of directors and except as otherwise required by law, the Certificate of Incorporation, these Bylaws or the rules and regulations of any stock exchange applicable to the Corporation, the affirmative vote of a majority of the voting power of the shares of capital stock of the Corporation present or represented by proxy at the meeting and entitled to vote on the subject matter, voting together as a single class, shall be the act of the stockholders. Subject to the rights of the holders of any series of Preferred Stock to elect directors, a plurality of the voting power of the shares of capital stock of the Corporation present in person or represented by proxy at the meeting and entitled to vote with respect to the election of directors, voting together as a single class, shall elect directors.

**Section 3.9 Voting Rights; Proxies.** For the purpose of determining those stockholders entitled to vote at any meeting of the stockholders, except as otherwise provided by law, only persons in whose names shares stand on the stock records of the Corporation on the record date for such purpose shall be entitled to vote at any meeting of stockholders. Every stockholder entitled to vote at a meeting may authorize another person or persons to act for such stockholder by proxy. No proxy shall be voted or acted upon after three years from its date unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary of the Corporation a revocation of the proxy or a new proxy bearing a later date.

**Section 3.10 Joint Owners of Stock.** If shares having voting power stand of record in the names of two or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two or more persons have the same fiduciary relationship respecting the same shares, unless the Secretary is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect: (a) if only one votes, his act binds all; (b) if more than one votes, the act of the

majority so voting binds all; (c) if more than one votes, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionally, or may apply to the Delaware Court of Chancery for relief as provided in Section 217(b) of the DGCL. If the instrument filed with the Secretary of the Corporation shows that any such tenancy is held in unequal interests, a majority or even-split for the purpose of subsection (c) shall be a majority or even-split in interest.

**Section 3.11 List of Stockholders.** The officer of the Corporation who has charge of the stock ledger shall prepare and make available, at least ten days before every meeting of stockholders a complete list of the stockholders entitled to vote at said meeting (provided, however, if the record date for determining the stockholders entitled to vote is less than ten days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order, showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting at least ten days prior to the meeting (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (b) during ordinary business hours at the principal place of business of the Corporation. If the meeting is to be held at a place, then a list of stockholders entitled to vote at the meeting shall be produced and kept at the time and place of the meeting during the whole time thereof and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 3.11 or to vote in person or by proxy at any meeting of stockholders.

**Section 3.12 Inspection of Elections.** If required by applicable law, the Board of Directors by resolution shall appoint one or more inspectors, which inspector or inspectors may include individuals who serve the Corporation in other capacities, including, without limitation, as officers, employees, agents or representatives of the Corporation, to act at the meeting and make a written report thereof. One or more persons may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate has been appointed to act, or if all inspectors or alternates who have been appointed are unable to act, at a meeting of stockholders, the chairman of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before discharging his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall have the duties prescribed by the DGCL.

**Section 3.13 No Action Without Meeting.** Any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken only upon the vote of the stockholders at any annual or special meeting duly called and may not be taken by written consent of the stockholders.

**Section 3.14 Organization.**

(a) At every meeting of stockholders, the chairman of the meeting shall be the Chairman of the Board of Directors, or, if such Chairman has not been appointed or is absent, the Chairman of the Audit Committee of the Board of Directors or, is such Chairman has not been appointed or is absent, the President, or, if the President is absent, a chairman of the meeting chosen by the affirmative vote of a majority of the voting power of the shares of capital stock of the Corporation present or represented by proxy at the meeting and entitled to vote on the subject matter, voting together as a single class. The Secretary, or, in his absence, an Assistant Secretary directed to do so by the President, shall act as secretary of the meeting.

(b) The Board of Directors shall be entitled to make such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in such meeting to stockholders of record of the Corporation and their duly authorized and constituted proxies and such other persons as the chairman shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting on matters which are to be voted on by ballot. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with rules of parliamentary procedure.

## ARTICLE IV.
## DIRECTORS

**Section 4.1 Number and Term of Office.** Except as may be provided in a Certificate of Designations providing for any series of Preferred Stock with respect to any directors elected (or to be elected) by the holders of such series, the total number of directors constituting the entire Board of Directors shall consist of not less than five nor more than seven members, with the precise number of directors to be determined from time to time exclusively by a vote of a majority of the entire Board of Directors, but in no case will a decrease in the number of directors shorten the term of any incumbent director. Directors shall be elected at each annual meeting of stockholders and each director so elected shall hold office, subject to the earlier resignation, death, disqualification or removal of such director, until the next succeeding annual meeting or until his or her successor shall have been elected and qualified.

**Section 4.2 Powers.** The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred upon them by applicable law or by the Certificate of Incorporation or these Bylaws, the directors shall exercise all such powers and do all such acts and things as may be exercised or done by the Corporation.

**Section 4.3 Vacancies.** Except as may be provided in a Certificate of Designations for any series of Preferred Stock with respect to any directors elected (or to be elected) by the

holders of such series, any vacancies in the Board of Directors for any reason and any newly created directorships resulting by reason of any increase in the number of directors may be filled only by the Board of Directors (and not by the stockholders), acting by majority of the remaining directors then in office, although less than a quorum, or by a sole remaining director, and any directors so appointed shall hold office until the next meeting of stockholders at which directors are to be elected and until their successors are elected and qualified. A vacancy in the Board of Directors shall be deemed to exist under this Bylaw in the case of the resignation, death, disqualification or removal of any director.

**Section 4.4 Resignation.** Any director may resign at any time by delivering his written resignation to the Secretary of the Corporation, such resignation to specify whether it will be effective at a particular time, upon receipt by the Secretary or at the pleasure of the Board of Directors. If no such specification is made, it shall be deemed effective at the pleasure of the Board of Directors.

**Section 4.5 Removal.** Except as may be provided in a Certificate of Designations providing for any series of Preferred Stock with respect to any directors elected by the holders of such series and except as otherwise required by applicable law, any or all of the directors of the Corporation may be removed from office, with or without cause, only by the affirmative vote of the holders of at least a majority of the voting power of the Corporation's then outstanding capital stock entitled to vote generally in the election of directors, voting together as a single class.

**Section 4.6 Meetings.**

(a) **Regular Meetings.** The Board of Directors may, by resolution, provide for the time and place for the holding of regular meetings of the Board of Directors. No further notice shall be required for regular meetings of the Board of Directors.

(b) **Special Meetings.** Special meetings of the Board of Directors may be held at any time and place within or without the State of Delaware, whenever called by the Chairman of the Board, the Chief Executive Officer or any two of the directors.

(c) **Meetings by Electronic Communications Equipment.** Any member of the Board of Directors, or of any committee thereof, may participate in a meeting by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

(d) **Notice of Special Meetings.** Notice of the time and place of all special meetings of the Board of Directors shall be given to each director at his business or residence in writing, or by facsimile transmission, telephone communication or electronic transmission. If mailed, such notice shall be deemed adequately delivered when deposited in the United States mail so addressed, with postage thereon prepaid, at least five days before such meeting. If by facsimile transmission or other electronic transmission, such notice shall be transmitted at least twenty-four hours before such meeting. If by telephone, the notice shall be given at least twelve hours prior to the time set for the meeting. Neither the business to be transacted at, nor the

purpose of, any special meeting of the Board of Directors need be specified in the notice of such meeting.

(e) **Waiver of Notice**. Notice of any meeting may be waived in writing, or by electronic transmission, at any time before or after the meeting and will be deemed waived by any director by attendance at the meeting, except when the director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened. All waivers shall be filed with the corporate records or made a part of the minutes of the meeting.

**Section 4.7 Quorum; Voting**. Unless the Certificate of Incorporation requires a greater number, a quorum of the Board of Directors shall consist of a majority of the total number of directors constituting the entire Board of Directors, as such total number is fixed from time to time by the Board of Directors in accordance with the Certificate of Incorporation; provided, however, at any meeting, whether a quorum be present or otherwise, a majority of the directors present may adjourn the meeting from time to time until the time fixed for the next regular meeting of the Board of Directors, without notice other than by announcement at the meeting. At each meeting of the Board of Directors at which a quorum is present, all questions and business shall be determined by the affirmative vote of a majority of the directors present, unless a different vote is required by the DGCL, the Certificate of Incorporation or these Bylaws.

**Section 4.8 Action Without Meeting**. Unless otherwise prohibited by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or the committee, as the case may be, consent thereto in writing or by electronic transmission, and such writing or writings or transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or the committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

**Section 4.9 Fees and Compensation**. Directors shall be entitled to such compensation for their services as may be approved by the Board of Directors, including, if so approved, a fixed sum and expenses of attendance, if any, for attendance at each regular or special meeting of the Board of Directors and at any meeting of a committee of the Board of Directors. Nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity as an officer, agent, employee, or otherwise and receiving compensation therefor.

**Section 4.10 Committees.**

(a) **Establishment of Committees**. The Board of Directors may designate one or more committees, each committee to consist of two or more of the members of the Board of Directors. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors

to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the board of directors in the management of the business and affairs of the Corporation, except as expressly limited by Section 141(c)(2) of the DGCL.

(b) **Term.** Except as provided by applicable law, the Board of Directors may at any time increase or decrease the number of members of a committee or terminate the existence of a committee. The membership of a committee member shall terminate on the date of his death or voluntary resignation or removal from the committee or from the Board of Directors. The Board of Directors may at any time for any reason remove any individual committee member and the Board of Directors may fill any committee vacancy created by death, resignation, removal or increase in the number of members of the committee.

(c) **Meetings.** Unless the Board of Directors shall otherwise provide, regular meetings of any committee appointed pursuant to this Section 4.10 shall be held at such times and places, if any, as are determined by the Board of Directors, the Chairman of the Board, or by any such committee, and when notice thereof has been given to each member of such committee, no further notice of such regular meetings need be given thereafter. Special meetings of any such committee may be held at any place which has been determined from time to time by such committee, and may be called by any director who is a member of such committee, upon notice to the members of such committee of the time and place of such special meeting given in the matter provided for the giving of notice to members of the Board of Directors of the time and place of special meetings of the Board of Directors. Notice of any special meeting of any committee may be waived in writing at any time before or after the meeting and will be deemed waived by any director by attendance at the meeting, except when the director attends such special meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Unless otherwise provided by the Board of Directors in the resolutions authorizing the creation of the committee, a majority of the authorized number of members of any such committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of such committee.

**Section 4.11 Organization**. At every meeting of the directors, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the President, or if the President is absent, the most senior Vice President, (if a director) or, in the absence of any such person, a chairman of the meeting chosen by a majority vote of the directors present, shall preside over the meeting. The Secretary, or in his absence, any Assistant Secretary designated and directed to do so by the person presiding at the meeting, shall act as secretary of the meeting.

## ARTICLE V.
## OFFICERS

**Section 5.1 Officers Designated**. The officers of the Corporation shall include, if and when designated, a Chairman of the Board, a Chief Executive Officer, a President, a Chief Financial Officer, one or more Vice Presidents, a Secretary, and a Treasurer and such other officers and agents as the Board of Directors from time to time may designate. The Board of

Directors may give any officer such further designations or alternative titles as it deems appropriate. The Chairman of the Board shall be chosen from the directors. All officers chosen by the Board of Directors shall each have such powers and duties as generally pertain to their respective offices, subject to the specific provisions of this Article V. Such officers shall also have such powers and duties as from time to time may be conferred by the Board of Directors or by any committee thereof. Any one person may hold any number of offices of the Corporation at any one time unless specifically prohibited therefrom by the DGCL. The salaries and other compensation of the officers of the Corporation shall be fixed by or in the manner designated by the Board of Directors.

**Section 5.2 Term of Office**. Each officer of the Corporation shall hold office at the pleasure of the Board of Directors and shall hold office until his or her successor shall have been duly elected and qualified, or until his or her death or until he or she shall resign or be removed.

**Section 5.3 Duties of Officers.**

(a) **Chairman of the Board**. The Chairman of the Board, when present, shall preside at all meetings of the stockholders and at all meetings of the Board of Directors. The Chairman of the Board shall perform other duties commonly incident to his or her office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time.

(b) **Chief Executive Officer.** The Chief Executive Officer shall preside at all meetings of the stockholders and (if a director) at all meetings of the Board of Directors, unless a Chairman of the Board has been appointed and is present. The Chief Executive Officer shall have general supervision, direction and control of the business and affairs of the Corporation, subject only to the power and authority of the Board of Directors. The Chief Executive Officer shall perform other duties commonly incident to his or her office, and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time.

(c) **President**. The President shall preside at all meetings of the stockholders and (if a director) at all meetings of the Board of Directors, unless either the Chief Executive Officer has been appointed and is present or the Chairman of the Board has been appointed and is present. Unless some other officer has been elected Chief Executive Officer of the Corporation, the President shall be the Chief Executive Officer of the Corporation. The President shall perform other duties commonly incident to his or her office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time.

(d) **Vice Presidents**. The Vice Presidents, if any, that have been designated officers of the Corporation, may assume and perform the duties of the President in the absence or disability of the President or whenever the office of President is vacant. The Vice Presidents, if any, that have been designated officers of the Corporation, shall perform other duties commonly incident to their office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

(e) **Secretary**. The Secretary shall attend all meetings of the stockholders and the Board of Directors and shall record all acts and proceedings thereof in the minute book of the Corporation. The Secretary shall give notice in conformity with these Bylaws of all meetings of the stockholders and of all meetings of the Board of Directors and any committee thereof requiring notice. The Secretary shall perform all other duties given to the Secretary in these Bylaws and other duties commonly incident to his or her office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time. Any Assistant Secretary may assume and perform the duties of the Secretary in the absence or disability of the Secretary, and each Assistant Secretary shall perform other duties commonly incident to his or her office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time. The Secretary shall have custody of the seal of the Corporation and shall affix the same to all instruments requiring it, when authorized by the Board of Directors, the Chairman of the Board or the President, and attest to the same.

(f) **Chief Financial Officer**. The Chief Financial Officer shall keep or cause to be kept the books of account of the Corporation in a thorough and proper manner and shall render statements of the financial affairs of the Corporation in such form and as often as required by the Board of Directors, the President or the Chief Executive Officer. The Chief Financial Officer, subject to the order of the Board of Directors, shall have custody of all funds and securities of the Corporation. The Chief Financial Officer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Board of Directors, at its regular meetings or when the Board of Directors so requires, an account of the financial condition of the Corporation. The Chief Financial Officer shall perform other duties commonly incident to his or her office, and shall also perform such other duties and have such other powers as the Board of Directors, the President or the Chief Executive Officer shall designate from time to time.

(g) **Treasurer.** The Treasurer may assume and perform the duties of the Chief Financial Officer in the absence or disability of the Chief Financial Officer or whenever the office of Chief Financial Officer is vacant. The Treasurer shall perform other duties commonly incident to his or her office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time. Any Assistant Treasurer may assume and perform the duties of the Treasurer in the absence or disability of the Treasurer, and each Assistant Treasurer shall perform other duties commonly incident to his or her office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

**Section 5.4 Delegation of Authority**. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

**Section 5.5 Resignations**. Any officer may resign at any time by giving notice in writing or by electronic transmission to the Board of Directors, the Chairman of the Board, the Chief Executive Officer, the President or the Secretary. Any such resignation shall be effective when received by the person or persons to whom such notice is given, unless a later time is specified therein in which event the resignation shall become effective at such later time. Unless

otherwise specified in such notice, the acceptance of any such resignation by the Corporation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the Corporation under applicable law, the Certificate of Incorporation, these Bylaws or any contract with the resigning officer.

**Section 5.6 Removal.** Any officer may be removed from office at any time, either with or without cause, by the Board of Directors, or by any committee or superior officers upon whom such power of removal may have been conferred by the Board of Directors.

## ARTICLE VI.
## EXECUTION OF CORPORATE INSTRUMENTS AND VOTING OF SECURITIES OWNED BY THE CORPORATION

**Section 6.1 Execution of Corporate Instruments.** The Board of Directors may determine the method and designate the signatory officer or officers, or other person or persons, to execute on behalf of the Corporation any corporate instrument or document, or to sign on behalf of the Corporation the corporate name, or to enter into contracts on behalf of the Corporation, except where otherwise provided by applicable law or these Bylaws, and such execution or signature shall be binding upon the Corporation.

In the absence of any determination by the Board of Directors, all instruments and documents requiring the corporate signature, unless otherwise required by applicable law, may be executed, signed or endorsed by the Chief Executive Officer, the President, the Chief Financial Officer, any Vice President, the Secretary or the Treasurer or in such other manner as may be directed by the Board of Directors.

All checks and drafts drawn on banks or other depositaries on funds to the credit of the Corporation or in special accounts of the Corporation shall be signed by the Chief Financial Officer, the Treasurer or such other person or persons as the Board of Directors shall authorize so to do.

Unless authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

**Section 6.2 Voting of Securities Owned by the Corporation.** All stock and other securities of other corporations owned or held by the Corporation for itself, or for other parties in any capacity, shall be voted, and all proxies with respect thereto shall be executed, by the person authorized so to do by resolution of the Board of Directors, or, in the absence of such authorization, by the Chief Executive Officer, the President, or any Vice President.

## ARTICLE VII.
## SHARES OF STOCK

**Section 7.1 Form and Execution of Certificates.** The Corporation may issue shares of any class or series of stock in certificated or uncertificated form, as determined by the Board of Directors. Certificates for the shares of stock of the Corporation shall be in such form as is

consistent with the Certificate of Incorporation and applicable law. Every holder of stock in the Corporation represented by certificate shall be entitled to have a certificate signed by or in the name of the Corporation by the President or any Vice President and by the Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary, certifying the number of shares owned by such stockholder in the Corporation. Any or all of the signatures on the certificate may be facsimiles. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued with the same effect as if he or she were such officer, transfer agent, or registrar at the date of issue. Each certificate shall state upon the face or back thereof, in full or in summary, all of the powers, designations, preferences, and the relative, participating, optional or other special rights, and the qualifications, limitations or restrictions of the shares authorized to be issued or shall, except as otherwise required by applicable law, set forth on the face or back a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences, and the relative, participating, optional or other special rights, and the qualifications, limitations or restrictions, of a class or any series of stock. Upon request and within a reasonable time after the issuance or transfer of uncertificated stock, the Corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to this Section 7.1 or otherwise required by applicable law, or with respect to this Section 7.1 a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences, and the relative, participating, optional or other special rights, and the qualifications, limitations or restrictions, of a class or any series of stock. Except as otherwise expressly provided by law, the rights and obligations of the holders of certificates representing stock of the same class or series shall be identical.

**Section 7.2 Lost Certificates.** A new certificate or certificates or uncertificated shares shall be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. The Corporation may require, as a condition precedent to the issuance of a new certificate or certificates or uncertificated shares, the owner of such lost, stolen, or destroyed certificate or certificates, or such owner's legal representative, to agree to indemnify the Corporation in such manner as it shall require or to give the Corporation a surety bond in such form and amount as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

**Section 7.3 Transfers.**

(a) Transfers of record of shares of stock of the Corporation shall be made only upon its books by the holders thereof, in person or by attorney duly authorized, and upon the surrender of a properly endorsed certificate or certificates for a like number of shares.

(b) The corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the Corporation to restrict the transfer of shares of stock of the Corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

**Section 7.4 Fixing Record Dates.**

(a) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, subject to applicable law, not be more than sixty nor less than ten days before the date of such meeting. If the Board of Directors so fixes a record date, such record date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty days prior to such action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

**Section 7.5 Registered Stockholders.** The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person whether or not it shall have express or other notice thereof, except as otherwise provided by applicable law.

## ARTICLE VIII.
## OTHER SECURITIES OF THE CORPORATION

**Section 8.1 Execution of Other Securities.** All bonds, debentures and other corporate securities of the Corporation, other than stock certificates (covered in Section 7.1), may be signed by the Chief Executive Officer, the President or any Vice President, or such other person as may be authorized by the Board of Directors, and the corporate seal impressed thereon or a facsimile of such seal imprinted thereon and attested by the signature of the Secretary or an Assistant Secretary, or the Chief Financial Officer or Treasurer or an Assistant Treasurer;

provided, however, that where any such bond, debenture or other corporate security shall be authenticated by the manual signature, or where permissible facsimile signature, of a trustee under an indenture pursuant to which such bond, debenture or other corporate security shall be issued, the signatures of the persons signing and attesting the corporate seal on such bond, debenture or other corporate security may be the imprinted facsimile of the signatures of such persons. Interest coupons appertaining to any such bond, debenture or other corporate security, authenticated by a trustee as aforesaid, shall be signed by the Chief Financial Officer, the Treasurer or an Assistant Treasurer of the Corporation or such other person as may be authorized by the Board of Directors, or bear imprinted thereon the facsimile signature of such person. In case any officer who shall have signed or attested any bond, debenture or other corporate security, or whose facsimile signature shall appear thereon or on any such interest coupon, shall have ceased to be such officer before the bond, debenture or other corporate security so signed or attested shall have been delivered, such bond, debenture or other corporate security nevertheless may be adopted by the Corporation and issued and delivered as though the person who signed the same or whose facsimile signature shall have been used thereon had not ceased to be such officer of the Corporation.

## ARTICLE IX.
## DIVIDENDS

**Section 9.1 Declaration of Dividends.** Dividends upon the capital stock of the Corporation, subject to the provisions of the Certificate of Incorporation and applicable law, if any, may be declared by the Board of Directors pursuant to law at any regular or special meeting. Dividends may be paid in cash, in property, or in shares of capital stock of the Corporation, subject to the provisions of the Certificate of Incorporation and applicable law.

**Section 9.2 Dividend Reserve.** The Board of Directors may set apart out of any of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve.

## ARTICLE X.
## FISCAL YEAR

**Section 10.1 Fiscal Year.** The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

## ARTICLE XI.
## NOTICES

**Section 11.1 Notices.**

(a) **Notice to Stockholders.** Notice to stockholders of stockholder meetings shall be given as provided in Section 3.6 herein. Without limiting the manner by which notice may otherwise be given effectively to stockholders under any agreement or contract with such stockholder, and except as otherwise required by law, notice to stockholders for purposes other than stockholder meetings may be sent by U.S. mail or nationally recognized overnight courier, or by facsimile, or by electronic mail or other applicable electronic means consented to by such stockholder in accordance with Section 232 of the DGCL.

(b) **Notice to Directors.** Any notice required to be given to any director may be given by any method stated in Section 4.6(d) hereof, as otherwise provided in these Bylaws, or by U.S. mail or nationally recognized overnight courier, or by facsimile, or by electronic mail, except that such notice other than one which is delivered personally shall be sent to such address as such director shall have filed in writing with the Secretary, or, in the absence of such filing, to the last known post office address of such director.

(c) **Affidavit of Notice.** An affidavit of notice, executed by a duly authorized and competent employee of the Corporation or its transfer agent appointed with respect to the class of stock affected, specifying the name and address or the names and addresses of the stockholder or stockholders, or director or directors, to whom any such notice or notices was or were given, and the time and method of giving the same, shall, in the absence of fraud, be prima facie evidence of the facts therein contained.

(d) **Time Notices Deemed Given.** All notices given by mail, as above provided, shall be deemed to have been given as of the time of mailing, and all notices given by facsimile or electronic mail shall be deemed to have been given as of the sending time recorded at time of transmission.

(e) **Methods of Notice.** It shall not be necessary that the same method of giving notice be employed in respect of all directors or stockholders, but one permissible method may be employed in respect of any one or more, and any other permissible method or methods may be employed in respect of any other or others.

(f) **Failure to Receive Notice.** The period or limitation of time within which any stockholder may exercise any option or right, or enjoy any privilege or benefit, or be required to act, or within which any director may exercise any power or right, or enjoy any privilege, pursuant to any notice sent to such stockholder in the manner above provided, shall not be affected or extended in any manner by the failure of such stockholder or such director to receive such notice.

(g) **Notice to Person with Whom Communication Is Unlawful.** Whenever notice is required to be given, under any provision of law or of the Certificate of Incorporation or these Bylaws, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the Corporation is such as to require the filing of a certificate under any provision of the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

(h) **Notice to Person with Undeliverable Address.** Whenever notice is required to be given, under any provision of law or the Certificate of Incorporation or Bylaws, to any stockholder to whom (i) notice of two consecutive annual meetings, and all notices of meetings to such person during the period between such two consecutive annual meetings, or (ii)

all, and at least two, payments (if sent by first-class mail) of dividends or interest on securities during a twelve-month period, have been mailed addressed to such person at his or her address as shown on the records of the Corporation and have been returned undeliverable, the giving of such notice to such person shall not be required. Any meeting which shall be taken or held without notice to such person shall have the same force and effect as if such notice had been duly given. If any such person shall deliver to the Corporation a written notice setting forth his or her then current address, the requirement that notice be given to such person shall be reinstated. In the event that the action taken by the Corporation is such as to require the filing of a certificate under any provision of the DGCL, the certificate need not state that notice was not given to persons to whom notice was not required to be given pursuant to this paragraph. Notwithstanding the foregoing, this Section 11.1(h) shall not apply to notice given by means of electronic transmission.

(i) **Notice to Stockholders Sharing an Address.** Except as otherwise prohibited under the DGCL, any notice given under the provisions of the DGCL, the Certificate of Incorporation or these Bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Such consent shall have been deemed to have been given if such stockholder fails to object in writing to the Corporation within sixty days of having been given notice by the Corporation of its intention to send the single notice. Any consent shall be revocable by the stockholder by written notice to the Corporation.

## ARTICLE XII.
## INDEMNIFICATION

**Section 12.1 Right of Indemnification**. The Corporation shall indemnify and hold harmless, to the fullest extent not prohibited by applicable law as it presently exists or may hereafter be amended, any person (a "Covered Person") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except as otherwise provided in Section 12.3 of this **Error! Reference source not found.**, the Corporation shall be required to indemnify a Covered Person in connection with a Proceeding (or part thereof) commenced by such Covered Person only if the commencement of such Proceeding (or part thereof) by the Covered Person was authorized in the specific case by the Board of Directors.

**Section 12.2 Prepayment of Expenses**. The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by a Covered Person in defending any Proceeding in advance of its final disposition, provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the Covered Person to repay all

amounts advanced if it should be ultimately determined that the Covered Person is not entitled to be indemnified for such amounts under this **Error! Reference source not found.** or otherwise.

**Section 12.3 Claims**. If a claim for indemnification (following the final disposition of the Proceeding with respect to which indemnification is sought, including any settlement of such Proceeding) or advancement of expenses under this **Error! Reference source not found.** is not paid in full within thirty days after a written claim therefor by the Covered Person has been received by the Corporation, the Covered Person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim to the fullest extent not prohibited by applicable law. In any such action the Corporation shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under this **Error! Reference source not found.** and applicable law.

**Section 12.4 Non-Exclusivity of Rights**. The rights conferred on any Covered Person by this **Error! Reference source not found.** shall not be exclusive of any other rights which such Covered Person may have or hereafter acquire under any statute, the Certificate of Incorporation, these Bylaws, or any agreement, vote of stockholders or disinterested directors or otherwise.

**Section 12.5 Amendment or Repeal**. Any right to indemnification or to advancement of expenses of any Covered Person arising hereunder shall not be eliminated or impaired by an amendment to or repeal of this **Error! Reference source not found.** after the occurrence of the act or omission that is the subject of the Proceeding for which indemnification or advancement of expenses is sought.

**Section 12.6 Other Indemnification and Advancement of Expenses**. This **Error! Reference source not found.** shall not limit the right of the Corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to persons other than Covered Persons when and as authorized by appropriate corporate action.

## ARTICLE XIII.
## AMENDMENTS

**Section 13.1 Amendments**. These Bylaws may be altered or amended or new Bylaws adopted as provided in the Certificate of Incorporation.

**Exhibit B**

**Convertible Notes Commitment Agreement**

EXECUTION VERSION

**ACCURIDE CORPORATION**

**CONVERTIBLE NOTES COMMITMENT AGREEMENT**

October 7, 2009

Ladies and Gentlemen:

Accuride Corporation, a Delaware corporation (the "Issuer"), proposes to offer and sell up to $140.0 million principal amount of 7.5% Convertible Notes with the principal terms set forth in the Term Sheet for New Capital in Connection with the Proposed Restructuring, the Non -Binding Term Sheet for Proposed Restructuring and the Summary of Terms and Conditions for the Restructured Prepetition Senior Secured Credit Facilities (collectively, the "Term Sheets") attached as Exhibit A hereto (the "New Notes") to be issued pursuant to the Debtors' (as defined below) joint chapter 11 plan of reorganization (the "Plan") pursuant to a rights offering (the "Rights Offering"). The New Notes will be issued pursuant to an indenture (the "Indenture") to be dated the Effective Date (as defined below) and will be convertible into shares of common stock of the restructured or reorganized Accuride Corporation (the "New Common Stock") in accordance with the terms set forth in the Term Sheets and the Indenture. Pursuant to the Rights Offering, each holder of the Issuer's 8-1/2% Senior Subordinated Notes due 2015 (the "Old Notes") as of a record date to be determined shall be entitled to subscribe to the Rights Offering (each an "Eligible Holder"), as of the date approved by the Bankruptcy Court for the solicitation of acceptances and rejections of the Plan (the "Record Date"), shall be offered a nontransferable subscription right (each, a "Right") to purchase, at par (the "Purchase Price"), up to a percentage of the New Notes equal to such Eligible Holder's percentage interest in the Old Notes. The Issuer will conduct the Rights Offering as part of the implementation of a plan of reorganization under chapter 11 of the United States Bankruptcy Code, 11 U.S.C.§§101 *et seq.* (the "Bankruptcy Code"), of the Issuer and its subsidiaries who will be debtors and debtors-in-possession (the "Debtors") in the chapter 11 cases (collectively, the "Chapter 11 Case") pending and jointly administered in the Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

In order to facilitate the Rights Offering, pursuant to this Agreement, and subject to the terms, conditions and limitations set forth herein, the Issuer agrees to sell, for the Purchase Price, a principal amount of New Notes (such New Notes in the aggregate, the "Unsubscribed New Notes") equal to (i) $140.0 million minus (ii) the principal amount of New Notes offered pursuant to the Rights Offering and duly subscribed for and paid for on or before the Expiration Time (as defined in Section 1(b)) (as the same may be adjusted as set forth herein) (such New Notes in the aggregate, the "Purchased New Notes"), and Blackrock Financial Management, Inc., Brigade Capital

Management, LLC, Sankaty Advisors, LLC and Tinicum Lantern II L.L.C., each on behalf of the funds and accounts managed by it in their capacity as purchasers pursuant to this Agreement (collectively, the "Investors"), agree, severally and not jointly, subject to the terms and conditions set forth in this Agreement, to purchase, its respective percentage set forth on Schedule A hereto, and for a price per note of the Purchase Price, on the Effective Date (as defined in Section 1(c)) the Unsubscribed New Notes.

The effectiveness of this Agreement is conditioned upon the receipt by the Investors or their counsel of evidence satisfactory to the Investors that the Issuer has entered into (a) the Noteholders Restructuring Support Agreement (the "Noteholders Restructuring Support Agreement") with holders of Old Notes which beneficially own, or act as the investment advisor or manager with respect to, at least two-thirds of the aggregate principal amount of the Old Notes then outstanding; and (b) the Lender Restructuring Support Agreement (the "Lender Restructuring Support Agreement") with lenders representing more than 50% of the aggregate principal amount of the First Out Loan Obligations (as defined in the Credit Agreement (as defined below)) outstanding under the Credit Agreement.

In consideration of the foregoing, and the representations, warranties and covenants set forth herein, and other good and valuable consideration, the Issuer and the Investors, severally and not jointly, agree as follows:

1. The Rights Offering. The Rights Offering will be conducted as follows:

(a) Subject to the terms and conditions of this Agreement (including Bankruptcy Court approval), the Issuer will offer New Notes for subscription by holders of Rights.

(b) The ballot forms (the "Ballots") or related subscription forms (the "Subscription Form") distributed in connection with the solicitation of acceptances and rejections of the Plan shall provide a place whereby each Eligible Holder of Old Notes as of a record date to be determined may exercise its Right to subscribe for up to a percentage of the New Notes equal to such Eligible Holder's percentage holdings of Old Notes. The Rights may be exercised during a period (the "Rights Exercise Period") to be specified in the disclosure statement approved by the Bankruptcy Court (the "Disclosure Statement"), which period will commence on the date the Ballots and Subscription Forms are distributed and will end at the Expiration Time. "Expiration Time" means 5:00 p.m., New York City time, on the date on which all Ballots and Subscription Forms must be returned, or such later date as the Issuer, subject to the approval of the Investors in their sole discretion, may specify in a notice provided to the Investors before 9:00 a.m., New York City time, on the Business Day before the then-effective Expiration Time. "Business Day" means any day other than (a) a Saturday, (b) a Sunday, (c) any day on which commercial banks in New York, New York are required or authorized to close by law or executive order, and (d) the Friday after Thanksgiving Day. The Plan shall provide that in order to exercise a Right, each Eligible Holder shall, (i) prior to the Expiration Time, return a duly completed

Subscription Form to the Subscription Agent (as defined in Section 1(d)) and (ii) pay an amount equal to the full purchase price of the principal amount of New Notes elected to be purchased by such Eligible Holder by wire transfer or bank or cashier's check delivered to the Subscription Agent no later than the Expiration Time.

(c) The Issuer will issue the New Notes to the Eligible Holders with respect to which Rights were validly exercised by and payment was duly received from such holder prior to the Expiration Time on the effective date of the Plan (the "Effective Date"). The principal amount of New Notes to be issued in respect of any Right will be rounded up or down to the nearest $1,000.

(d) If the subscription agent under the Plan (the "Subscription Agent") for any reason does not receive from a given holder both a timely and duly completed Subscription Form and timely payment of such holder's Subscription Purchase Price prior to the Expiration Time, the Plan shall provide that the holder shall be deemed to have relinquished and waived its right to participate in the Rights Offering.

(e) The Issuer hereby agrees and undertakes to give, or instruct the Subscription Agent to give, the Investors by electronic facsimile transmission or by electronic mail a notice conforming to the requirements specified herein of either (i) the calculation of the principal amount of Unsubscribed New Notes, the principal amount of Purchased New Notes and the aggregate Purchase Price for all Unsubscribed New Notes (a "Purchase Notice") or (ii) in the absence of any Unsubscribed New Notes, the fact that there are no Unsubscribed New Notes and that the Backstop Commitment (as defined in Section 2(a)) is terminated (a "Satisfaction Notice"), as soon as practicable after the Expiration Time and, in any event, at least four (4) Business Days prior to the Effective Date (the date of transmission of confirmation of a Purchase Notice or a Satisfaction Notice, the "Determination Date").

2. The Backstop Commitment.

(a) On the basis of the representations and warranties contained herein, but subject to the conditions set forth in Section 7, each Investor agrees to purchase from the Issuer on the Effective Date, and the Issuer agrees to issue and sell to each Investor, at the aggregate Purchase Price therefor, such Investor's portion of the Unsubscribed New Notes as set forth on Schedule A hereto (the "Backstop Commitment").

(b) The Issuer will pay to the Investors the aggregate backstop commitment fee of (i) $5.6 million (the "Cash Backstop Fee") which shall be released to the Investors, (A) upon the issuance of the New Notes as contemplated herein on the Effective Date, in the form of shares of New Common Stock representing 4% of all of the Issuer's outstanding New Common Stock on the Effective Date (on a fully-diluted basis), or (B) in the form of a super-priority

administrative claim against the Issuer if this Agreement is terminated in accordance with the terms hereof prior to the Effective Date or the New Notes are not issued on the Effective Date pursuant to the Plan as contemplated hereby, and (ii) on the basis of the representations and warranties herein contained, but subject to the entry of a final, non-appealable Confirmation Order (as defined below) and on the Effective Date, shares of New Common Stock representing 4% of all of the Issuer's outstanding New Common Stock on the Effective Date (on a fully-diluted basis) (the "Stock Backstop Fee," and together with the Cash Backstop Fee, the "Backstop Fee"), in each case of payment to the Investors, in such proportions per Investor as indicated in Schedule A hereto, to compensate each such Investor for the risk of its undertakings herein; *provided* that in the event that any Investor defaults on its obligation to purchase the Unsubscribed New Notes that it has agreed to purchase hereunder, the fee allocable to such defaulting Investor shall be re-allocated to the Investor(s) who assume such defaulting Investor's obligations hereunder on a *pro rata* basis, or if such obligation is not assumed by any Investor, among the non-defaulting Investors *pro rata* based on their respective backstopping commitments set forth in Schedule A hereto. The New Common Stock each Investor receives pursuant to clauses (i)(A) and/or (ii) above shall have the benefit of substantially the same anti-dilution protection as the New Notes. The Cash Backstop Fee and all other amounts payable hereunder will be paid in U.S. dollars. Payment of the Cash Backstop Fee pursuant to clause (i)(B) above will be made by wire transfer of immediately available funds and payment of the Stock Backstop Fee and, if applicable, delivery of shares of New Common Stock in exchange for the Cash Backstop Fee pursuant to clause (i)(A) above, will be made by stock transfer of the appropriate shares of New Common Stock to the account specified by each Investor to the Issuer at least 24 hours in advance. The Backstop Fee will be payable whether or not any Unsubscribed New Notes are purchased pursuant to the Backstop Commitment and will be nonrefundable when paid.

(c) The Issuer will reimburse or pay, as the case may be, the reasonable expenses of the Investors, including the fees and expenses of Rothschild Inc., financial advisor to the Investors, and Milbank, Tweed, Hadley & McCloy LLP and local Wilmington, Delaware counsel, as legal advisors to the Investors and reasonable fees and expenses of any other professionals retained by the Investors in connection with the transaction contemplated hereby, including, but not limited to, reasonable fees and expenses incurred in connection with the escrow of the Cash Backstop Fee contemplated in Section 2(b) above (collectively, "Transaction Expenses"); *provided* that the Issuer shall not be responsible for the fees or expenses of more than one financial advisor or more than one counsel and one local counsel to the Investors. Such reimbursement or payment shall be made by the Issuer within two (2) days of presentation of an invoice approved by the Investors, without Bankruptcy Court review or further Bankruptcy Court order (but subject to any conditions imposed by the Bankruptcy Court or the United States Trustee in the order authorizing the assumption of this Agreement or the DIP Order (as defined below)), whether or not the transactions contemplated hereby are consummated. These obligations are in addition to, and

do not limit, the Issuer's obligations under Section 8. The provision for the payment of the Transaction Expenses is an integral part of the transactions contemplated by this Agreement, and without this provision the Investors would not have entered into this Agreement and shall, subject to the approval of the assumption of this Agreement by the Bankruptcy Court, constitute an administrative expense of the Issuer under section 364(c)(1) of the Bankruptcy Code.

(d) On the Effective Date, the individual Investors will purchase, and the Issuer will sell to the individual Investors, at a price equal to the Purchase Price therefor, such principal amount of Unsubscribed New Notes as is listed in the Purchase Notice, without prejudice to the rights of the Investors to seek later an upward or downward adjustment if the principal amount of Unsubscribed New Notes in such Purchase Notice is inaccurate.

(e) Delivery of the Unsubscribed New Notes will be made by the Issuer to the respective accounts of the Investors (or to such other accounts as the Investors may designate) on the Effective Date against payment of the Purchase Price for such Unsubscribed New Notes by wire transfer of immediately available funds to the account specified by the Issuer to the Investors at least 24 hours in advance.

(f) All Unsubscribed New Notes will be delivered with any and all issue, stamp, transfer or similar taxes or duties payable in connection with such delivery duly paid by the Issuer to the extent required under the Confirmation Order or applicable law.

(g) The documents to be delivered on the Effective Date by or on behalf of the parties hereto will be delivered at the offices of Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York 10005 on the Effective Date.

(h) Notwithstanding anything to the contrary in this Agreement, each Investor, in its sole discretion, may designate that some or all of the Unsubscribed New Notes be issued in the name of and delivered to, one or more of its Affiliates or any other third party.

(i) No Investor shall have any liability for the Backstop Commitment of any other Investor.

3. Representations and Warranties of the Issuer. The Issuer represents and warrants to, and agree with, the Investors as follows. Each representation and warranty is made as of the date hereof and on the Effective Date:

(a) Accuracy of Information. All information, other than financial projections (the "Projections"), that has been made available to the Investors by the Issuer or any of its representatives, was as of the date furnished, and to the Issuer's knowledge, is as of the date of this Agreement, when taken together as a

whole, complete and correct in all material respects and did not as of the date furnished, and to the Issuer's knowledge, does not as of the date of this Agreement, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in light of the circumstances under which such statements were made. All information, other than Projections, that is made available in the future to the Investor by the Issuer or any of its representatives will be, as of the date such information is furnished to the Investors, when taken together as a whole, complete and correct in all material respects and will not, as of such date, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in light of the circumstances under which such statements are made. The Projections that have been or will be prepared and made available to the Investors by the Issuer or any of its representatives, including but not limited to those contained in the presentation titled "Private Lender Supplement," dated July 2009 (the "July Projections"), have been or will be prepared in good faith based upon reasonable assumptions at the time made, and the Issuer did not have any knowledge when it prepared and delivered such Projections and does not have any knowledge as the date hereof of any fact or information that would lead it to believe that such assumptions are incorrect or misleading in any material respect (and will not deliver any Projections in the future with such knowledge). As of the date of this Agreement, the July Projections are the most up-to-date projections being used as a base case by the management of the Issuer.

(b) Incorporation and Qualification. The Issuer and each of the direct and indirect subsidiaries of the Issuer has been duly organized and is validly existing as a corporation or other form of entity, where applicable, in good standing under the laws of their respective jurisdictions of organization, with the requisite power and authority to own its properties and conduct its business as currently conducted, subject, as applicable, to the restrictions that result from any such entity's status as a debtor-in-possession under chapter 11 of the Bankruptcy Code. The Issuer and each of its subsidiaries has been duly qualified as a foreign corporation or other form of entity for the transaction of business and, where applicable, is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts business so as to require such qualification, except to the extent the failure to be so qualified or, where applicable, be in good standing would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, results of operations, property or financial condition of the Issuer and its subsidiaries taken as a whole, or on the ability of the Issuer, subject to the approvals and other authorizations set forth in Section 3(g), to consummate the transactions contemplated by this Agreement or the Plan (a "Material Adverse Effect").

(c) Corporate Power and Authority.

(i) The Issuer has the requisite corporate power and authority to enter into, execute and deliver this Agreement and to perform its obligations hereunder,

including the issuance of the Rights and the New Notes. The Issuer has taken all necessary corporate action required for the due authorization, execution, delivery and performance by it of this Agreement, including the issuance of the Rights and the New Notes, other than the entry of the Confirmation Order and the expiration, or waiver by the Bankruptcy Court, of the 10-day period set forth in Bankruptcy Rule 3020(e) and the need to amend its certificate of incorporation effective as of the Effective Date.

(ii) The distribution of the Rights and issuance of the New Notes on the Effective Date will have been duly and validly authorized.

(iii) Subject to entry of the Confirmation Order and the expiration, or waiver by the Bankruptcy Court, of the 10-day period set forth in Bankruptcy Rule 3020(e), on the Effective Date, the Debtors will have the requisite corporate power and authority to execute the Plan and to perform their obligations thereunder, and will have taken all necessary corporate actions required for the due authorization, execution, delivery and performance by the Debtors of the Plan.

(d) Execution and Delivery; Enforceability.

(i) This Agreement has been duly and validly executed and delivered by the Issuer, and constitutes the valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with its terms, subject to bankruptcy, reorganization, insolvency, moratorium and other laws affecting the enforcement of creditors' rights generally from time to time in effect and subject to general equitable principles.

(ii) On the Effective Date, the Indenture shall have been duly authorized by the Issuer and the guarantors named therein (the "Guarantors") and, when executed and delivered by the Issuer, the guarantors named therein and the trustee party thereto, will be a valid and binding agreement of the Issuer and the Guarantors, enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and general principles of equity.

(iii) On the Effective Date, the New Notes shall have been duly authorized by the Issuer and, when executed and delivered by the Issuer and duly authenticated in accordance with the terms of the Indenture and delivered to and paid for by the Investor in accordance with the terms hereof, will constitute valid and binding obligations of the Issuer, enforceable in accordance with their terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar

laws affecting creditors' rights generally and general principles of equity, and will be entitled to the benefits of the Indenture; the maximum number of shares of New Common Stock (the "Shares") issuable upon conversion of the New Notes shall have been duly authorized and validly reserved for issuance upon conversion of the New Notes, and, upon conversion of the New Notes in accordance with their terms and the terms of the Indenture, such Shares will be issued free of any right of pledge, usufruct or other encumbrance, and shall be sufficient in number to meet the current conversion requirements (assuming all conditions to such conversion have been satisfied); such Shares, when so issued upon such conversion in accordance with the terms of the New Notes and of the Indenture, will be duly and validly issued and fully paid and non-assessable; and the certificates for such Shares will be in due and proper form; and

(iv) The Plan will be duly and validly filed with the Bankruptcy Court by the Debtors and, upon the entry of the Confirmation Order and the expiration, or waiver by the Bankruptcy Court, of the 10-day period set forth in Bankruptcy Rule 3020(e), will constitute the valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms, subject to general equitable principles.

(e) No Conflict. Subject to the entry of the Confirmation Orders and the expiration, or waiver by the Bankruptcy Court, of the 10-day period set forth in Bankruptcy Rules 6004(h) and 3020(e), as applicable, the distribution of the Rights, the issuance, sale and delivery of New Notes upon exercise of the Rights and the consummation of the Rights Offering by the Issuer, the issuance, sale and delivery of the Unsubscribed New Notes and the execution and delivery (or, with respect to the Plan, the filing) by the Issuer of this Agreement and the Plan and compliance by the Issuer with all of the provisions hereof and thereof and the consummation of the transactions contemplated herein and therein (including compliance by each Investor with its obligations hereunder and thereunder) (i) will not conflict with, or result in a breach or violation of, any of the terms or provisions of, or constitute a default under, or result in the acceleration of, or the creation of any lien under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Issuer or any of its subsidiaries is a party or by which the Issuer or any of its subsidiaries is bound or to which any of the property or assets of the Issuer or any of its subsidiaries is subject, (ii) will not result in any violation of the provisions of the certificate of incorporation or bylaws of the Issuer and any other Debtor and (iii) will not result in any violation of, or any termination or material impairment of any rights under, any statute or any license, authorization, injunction, judgment, order, decree, rule or regulation of any court or governmental agency or body having jurisdiction over the Issuer or any of its subsidiaries or any of their respective properties, except in any such

case described in subclause (i) or (iii) as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(f) Consents and Approvals. No consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body having jurisdiction over the Issuer or any of its subsidiaries or any of their respective properties or by any third party pursuant to any contract or otherwise is required for the distribution of the Rights, the issuance, sale and delivery of New Notes upon exercise of the Rights to the Investors hereunder and the consummation of the Rights Offering by the Issuer and the execution and delivery by the Issuer of this Agreement or the Plan and performance of and compliance by the Issuer with all of the provisions hereof and thereof and the consummation of the transactions contemplated herein and therein, except for (i) the entry of the Confirmation Order and the expiration, or waiver by the Bankruptcy Court, of the 10-day period set forth in Bankruptcy Rules 6004(h) and 3020(e), as applicable; (ii) filings with respect to and the expiration or termination of the waiting period under the HSR Act, if applicable, (iii) such consents, approvals, authorizations, registrations or qualifications as may be reasonably required under state securities or "blue sky" laws in connection with the purchase of Unsubscribed New Notes by the Investors or (iv) such consents, approvals, authorizations, registrations or qualifications, the absence of which would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(g) Financial Statements. The audited consolidated financial statements of the Issuer as of and for the year ended December 31, 2008 and the unaudited consolidated financial statements of the Issuer as of and for the six months ended June 30, 2009 previously delivered to the Investors present fairly in all material respects, in each case together with the related notes, the financial position of the Issuer and its consolidated subsidiaries at the dates indicated and the statements of operations, stockholders' equity and cash flows of the Issuer and its consolidated subsidiaries for the periods specified, except that the unaudited financial statements are subject to normal and recurring year-end adjustments that are not expected to be in the aggregate material. Such financial statements have been prepared in conformance with generally accepted accounting principles in the United States, except as otherwise noted in such financial statements or related notes, applied on a consistent basis throughout the periods involved. Each Investor acknowledges that the Issuer's financial statements described above do not reflect the terms of the Plan or the effect of fresh-start accounting.

(h) No Material Adverse Change. Except as disclosed in the Issuer's Securities and Exchange Commission (the "Commission") filings as of the date of this Agreement (the "SEC Filings"), since June 30, 2009 there has not (i) been any material change in the capital stock or long-term debt of the Issuer or its subsidiaries; (ii) been any dividend or distribution of any kind declared, set aside for payment, paid or made by the Issuer on any class of their capital stock; (iii) occurred (A) any event, fact or circumstance which has had or would reasonably be expected to have, individually, or in the aggregate, a Material Adverse Effect

on the Issuer and its subsidiaries or (B) any loss of a significant portion of the business of any of Daimler Truck North America, LLC, PACCAR, Inc., International Truck and Engine Corporation or Volvo Truck Corporation (each, a "Material Adverse Change Event"); or (iv) been any changes with respect to the accounting policies or procedures of the Issuer or the Debtors, except as required by law or changes in GAAP.

(i) No Violation or Default; Licenses and Permits. Except as otherwise set forth in the SEC Filings, each of the Issuer and its subsidiaries (i) is in compliance with all laws, statutes, ordinances, rules, regulations, orders, judgments and decrees of any court or governmental agency or body having jurisdiction over the Issuer or any of its subsidiaries or any of their respective properties, and (ii) has not received written notice of any alleged material violation of any of the foregoing except, in the case of clauses (i) and (ii) above, for any such failure to comply, default or violation that would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect. Subject to the restrictions that result solely from the Issuer or any subsidiary's status as a debtor-in-possession under chapter 11 of the Bankruptcy Code (including that in certain instances such subsidiary's conduct of its business requires Bankruptcy Court approval), each of the Issuer and its subsidiaries holds all material licenses, franchises, permits, consents, registrations, certificates and other governmental and regulatory permits, authorizations and approvals required for the operation of the business as currently conducted by it and for the ownership, lease or operation of its material assets, except where the failure to possess or make the same would not, individually or in the aggregate, have a Material Adverse Effect and is not in violation of its certificate of incorporation, bylaws or other organizational document. Except as otherwise set forth in the SEC Filings, no event has occurred, with the notice or lapse of time or both, that would constitute a default, in the due performance or observation of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Issuer or any of its subsidiaries is a party or by which the Issuer or any of its subsidiaries is subject.

(j) Legal Proceedings. Except as described in the SEC Filings, there are no legal, governmental or regulatory investigations, actions, suits or proceedings pending or, to the knowledge of the Issuer, threatened against the Issuer or any of its subsidiaries which, individually or in the aggregate, if determined adversely to the Issuer or any of its subsidiaries, would reasonably be expected to have a Material Adverse Effect.

(k) Independent Accountants. Deloitte & Touche LLP (the "Accountants"), who have certified the financial statements of the Issuer and its consolidated subsidiaries, are an independent registered public accounting firm with respect to the Issuer and its consolidated subsidiaries.

(l) Title to Intellectual Property. The Issuer and its subsidiaries own or possess adequate rights to use all material patents, patent applications,

trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights, licenses and know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) necessary for the conduct of their respective businesses, except where the failure to own or possess any such rights could not reasonably be expected to have a Material Adverse Effect; and, except as could not reasonably be expected to have a Material Adverse Effect, the conduct of their respective businesses will not conflict in any material respect with any such rights of others, and the Issuer and its subsidiaries have not received any written notice of any material claim of infringement or conflict with any such material rights of others.

(m) No Undisclosed Relationships. No relationship, direct or indirect, exists between or among the Issuer or any of its subsidiaries, on the one hand, and the directors, officers, stockholders, customers or suppliers of the Issuer or any of its subsidiaries, on the other, that is required be disclosed in the SEC Filings and that are not so disclosed.

(n) Investment Company Act. The Issuer is not, and after giving effect to the offering and sale of the New Notes and the application of the proceeds thereof, will not be required to register as an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder.

(o) Compliance With Environmental Laws. Except as disclosed in the SEC Filings, the Issuer and its subsidiaries (i) are in compliance with any and all applicable federal, state, local and foreign laws, rules, regulations, decisions and orders relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants (collectively, "Environmental Laws"); (ii) have received and are in compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and are not aware of any actions that are pending or threatened in writing that seek to repeal, modify, amend, revoke, limit, or otherwise appeal or challenge any such permits, licenses or other approvals; (iii) have not received written notice of any actual or potential liability for the investigation or remediation of any disposal, arrangement for disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants and (iv) are not aware of any facts, events or circumstances that could give rise to any liability or investigatory, corrective or remedial obligations under Environmental Laws with respect to their past or present facilities or their respective businesses, except, in the case of each of the clauses (i), (ii), (iii) and (iv), as would not, individually or in the aggregate, have a Material Adverse Effect.

(p) Compliance With ERISA. Each "employee benefit plan" as defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations

thereunder ("ERISA"), as to which the Issuer or, to the Issuer's knowledge, any of its subsidiaries has or could have any liability, is in compliance in all material respects with all applicable provisions of ERISA and the U.S. Internal Revenue Code of 1986, as amended, including the regulations thereunder (the "Code"), each such "employee benefit plan" has been established and administered in accordance with its terms and each of the Issuer and its subsidiaries is in compliance in all material respects with its obligations under ERISA and the Code with respect to each such "employee benefit plan". Each "employee benefit plan" for which the Issuer or its subsidiaries could have any liability that is intended to be qualified under Section 401(a) of the Code is so qualified in all respects and nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification, except as would not, individually or in the aggregate result in a Material Adverse Effect. Except as would not, individually or in the aggregate, result in a Material Adverse Effect, (i) no "reportable event" (within the meaning of Section 4043(c) of ERISA) has occurred with respect to any "employee benefit plan" for which the Issuer, or any entity that is required to be aggregated with the Issuer pursuant to Section 414 of the Code (an "ERISA Affiliate"), could have any liability; (ii) each of the Issuer and any ERISA Affiliate has not incurred and does not expect to incur liability under Title IV of ERISA other than for PBGC premiums due but not delinquent under Section 4007 of ERISA; (iii) neither the Issuer or any of its subsidiaries has incurred nor do any such entities expect to incur liability under Section 4971 or 4975 of the Code; and (iv) no "employee benefit plan" for which the Issuer or any ERISA Affiliate could have any liability has failed to satisfy the minimum funding standard (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such plan, or filed pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any such "employee benefit plan".

(q) Accounting Controls. The Issuer and its subsidiaries maintain systems of internal accounting controls designed in accordance with applicable law to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(r) Insurance. Except as would not, individually or in the aggregate, result in a Material Adverse Effect, the Issuer and its subsidiaries have insurance covering their respective properties, operations, personnel and businesses, including business interruption insurance, which insurance is in amounts and insures against such losses and risks as are customary for companies whose businesses are similar to the Issuer and its subsidiaries; and as of the date hereof, neither the Issuer nor any of its subsidiaries has (i) received written notice from

any insurer or agent of such insurer that capital improvements or other material expenditures are required or necessary to be made in order to continue such insurance or (ii) any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost from similar insurers as may be necessary to continue its business.

(s) No Unlawful Payments. Neither the Issuer nor any of its subsidiaries nor, to the knowledge of the Issuer, any director, officer, agent, employee or other person associated with or acting on behalf of the Issuer or any of its subsidiaries has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds, (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977 or (iv) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

(t) No Restrictions on Certain Dividends and Other Payments. The Issuer's direct and indirect subsidiaries are not currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party, other than under the Issuer's Fourth Amended and Restated Credit Agreement dated as of January 31, 2005 (as amended by the First Amendment dated as of November 28, 2007, the Second Amendment dated as of January 28, 2009 and the Third Amendment dated as of August 14, 2009 and as may be further amended from time to time, the "Credit Agreement"), from paying any dividends to its parent, from making any other distribution on such subsidiary's capital stock, from repaying to the Issuer or any other subsidiary of the Issuer any loans or advances to such subsidiary from the Issuer or from any other subsidiary of the Issuer or from transferring any of such subsidiary's properties or assets to the Issuer or any other subsidiary of the Issuer.

(u) No Broker's Fees. None of the Issuer or any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against the Investors for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Rights or the New Notes.

(v) Labor Relations. Except as set forth in the SEC Filings:

(i) neither the Issuer nor any of its subsidiaries is a party to, or bound by, any material collective bargaining agreement, contract or other agreement or understanding with a labor union or labor organization (other than contracts or other agreements or understandings with labor unions or labor organizations in connection with products and services offered and sold to such unions and organizations by the Issuer or its subsidiaries);

(ii) neither the Issuer nor any of its subsidiaries is the subject of any proceeding asserting that it or any subsidiary has committed an unfair labor practice or sex, age, race or other discrimination or seeking to compel it to bargain with any labor organization as to wages or conditions of employment, which, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect;

(iii) there are no current or, to the knowledge of the Issuer, threatened organizational activities or demands for recognition by a labor organization seeking to represent employees of the Issuer or any subsidiary and no such activities have occurred during the past 24 months that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(iv) no grievance, arbitration, litigation or complaint or, to the knowledge of the Issuer, investigations relating to labor or employment matters is pending or, to the knowledge of the Issuer, threatened against the Issuer or any of its subsidiaries which, except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(v) the Issuer and each of its subsidiaries has complied and is in compliance in all respects with all applicable laws (domestic and foreign), agreements, contracts, and policies relating to employment, employment practices, wages, hours, and terms and conditions of employment and is not engaged in any material unfair labor practice as determined by the National Labor Relations Board (or any foreign equivalent) except where the failure to comply has not had or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(vi) the Issuer has complied in all respects with its payment obligations to all employees of the Issuer and its subsidiaries in respect of all wages, salaries, commissions, bonuses, benefits and other compensation due and payable to such employees under any Issuer policy, practice, agreement, plan, program or any statute or other law, except to the extent that any noncompliance, either individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect; and

(vii) the Issuer has complied and is in compliance in all respects with its obligations pursuant to the Worker Adjustment and Retraining Notification Act of 1988 (and any similar state or local law) to the extent applicable, and all material other employee notification and bargaining obligations arising under any collective

bargaining agreement or statute, except to the extent that any noncompliance, either individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect.

(w) Title to Real and Personal Property. The Issuer and its subsidiaries have good and marketable title to all real property owned by the Issuer and its subsidiaries and good title to all other tangible and intangible properties (other than Intellectual Property covered by Section 3(m) owned by them, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except such as (i) are described in the SEC Filings or (ii) individually and in the aggregate, have not had and would not reasonably be expected to have a Material Adverse Effect. All of the leases and subleases to which the Issuer or its subsidiaries are a party are in full force and effect and enforceable by the Issuer or such subsidiary in accordance with their terms, and neither the Issuer nor any subsidiary has received any written notice of any claim that has been asserted by anyone adverse to the rights of the Issuer or any subsidiary under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Issuer or such subsidiary to the continued possession of the leased or subleased property by under any such lease or sublease, except where any such claim or failure to be enforceable would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(x) Tax Matters. Except where any such failure has not had or would not be expected to have a Material Adverse Effect: (i) the Issuer (and each subsidiary) has filed all material Tax Returns required to be filed by applicable law prior to the date hereof; such Tax Returns were true, complete and correct; and the Issuer (and each subsidiary) (A) has paid all Taxes that are due and payable and (B) has recorded reserves for any Taxes in accordance with GAAP; (ii) there are no Tax liens upon the assets of the Issuer (or any subsidiary) except liens for Taxes not yet due or payable; (iii) neither the Issuer nor any subsidiary has executed any outstanding waivers or comparable consents regarding the application of the statute of limitations for any Taxes or Tax Returns (and no extensions of any statutory periods have been executed on their behalf); (iv) no audits or other administrative proceedings or court proceedings are presently pending or to the knowledge of Issuer threatened with regard to any Taxes or Tax Returns of the Issuer (or any subsidiary); (v) the Issuer (and each subsidiary) has withheld and paid all material Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party, and all Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed; (vi) the Issuer is not a United States real property holding corporation within the meaning of Code section 897(c)(2); (vii) neither the Issuer nor any subsidiary has any liability for Taxes of any person other than the Issuer and its subsidiaries under Treasury Regulation §1.1502-6 (or any similar provision of state, local, or non-U.S. law); and (viii) neither the Issuer nor any subsidiary is a party to or bound by any tax

allocation or tax sharing agreement. Neither the Issuer nor any subsidiary is or has been party to any "listed transaction" as defined in Code §6707A(c)(2) and Treas. Reg. §1.6011-4(b)(2). As used in this Section 3(x), "Taxes" means any federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Code §59A), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto; and "Tax Return" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

4. Representations and Warranties of the Investors. Each of the Investors, severally and not jointly, represents and warrants to, and agrees, with respect to itself only, with, the Issuer as set forth below. Each representation, warranty and agreement is made as of the date hereof and as of the Effective Date:

(a) Organization. Such Investor has been duly incorporated or formed, as the case may be, and is validly existing as a corporation or a limited partnership, as the case may be, in good standing under the laws of its jurisdiction of organization.

(b) Corporate Power and Authority. Such Investor has the requisite corporate power and authority to enter into, execute and deliver this Agreement and to perform its obligations hereunder and has taken all necessary action required for the due authorization, execution, delivery and performance by it of this Agreement.

(c) Execution and Delivery. This Agreement has been duly and validly executed and delivered by such Investor and constitutes its valid and binding obligation, enforceable against such Investor in accordance with its terms, subject to general equitable principles.

(d) No Conflicts. The execution, delivery, and performance by such Investor of this Agreement do not and shall not (i) violate any provision of its certificate of incorporation or by-laws (or other organizational documents) or any law, rule, or regulation applicable to it or (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any material contractual obligation to which it is a party or under its certificate of incorporation or by-laws (or other organizational documents).

(e) Proceedings. No litigation or proceeding before any court, arbitrator, or administrative or governmental body is pending against it that would adversely affect such Investor's ability to enter into this Agreement or perform its obligations hereunder.

(f) Consents and Approvals. No consent, approval, order, authorization, registration or qualification of or with any court or governmental agency or body having jurisdiction over such Investor or such Investor's affiliates, is required in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, except for any consent, approval, order or authorization required under the Bankruptcy Code.

(g) Sufficiency of Funds. Such Investor has, or is the investment advisor or investment manager for entities that have, and on the Effective Date will have or is the investment advisor or investment manager for entities that will have, sufficient immediately available funds to make and complete the payment of the aggregate Purchase Price for its portion of the Unsubscribed New Notes and the availability of such funds is not subject to the consent, approval or authorization of any third party.

(h) Sophistication and Investment Intent. Such Investor has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the New Notes, and has so evaluated the merits and risks of such investment. Such Investor is, as of the date hereof and will be as of the Effective Date, an "accredited investor" within the meaning of Rule 501(a) under the Securities Act of 1933, as amended (the "Securities Act"). Such Investor understands and is able to bear any economic risks associated with such investment (including, without limitation, the necessity of holding such Unsubscribed New Notes for an indefinite period of time or the complete loss of such investment). Such Investor is acquiring the New Notes in good faith solely for its own account or accounts managed by it, for investment and not with a view toward distribution within the meaning of the Securities Act. Such Investor acknowledges that the Issuer will rely upon the truth and accuracy of the foregoing as well as the other representations, warranties and other agreements of such Investor in connection with the transactions described in this Agreement.

(i) Information. Such Investor acknowledges that it has been afforded the opportunity to ask questions and receive answers concerning the Issuer and to obtain additional information. Notwithstanding the foregoing, nothing contained herein will operate to modify or limit in any respect the representations and warranties of the Issuer or to relieve the Issuer from any obligations to such Investor for breach thereof or the making of misleading statements or the omission of material facts in violation of applicable law in connection with the transactions contemplated herein.

5. Additional Covenants of the Issuer. The Issuer agrees with the Investors:

(a) First Day Motions, Disclosure Statement and Plan. The Issuer will file each of the first day motions in connection with the Chapter 11 Case as set forth on Schedule I of the Noteholders Restructuring Support Agreement on the date the Debtors file petitions commencing the Chapter 11 Case (the "Chapter 11

Commencement Date"). In accordance with the Term Sheets, the DIP Order (as defined below) and the post-petition debtor-in-possession financing ("DIP Financing") agreement (as amended, restated, supplemented or otherwise modified in accordance with the terms thereof, the "DIP Agreement", and together with the Term Sheets and the DIP Order, the "Restructuring Support Documents") attached to the Interim DIP Order (as defined below) in Exhibit B hereto, the Issuer will prepare and file with the Bankruptcy Court a Disclosure Statement and Plan reflecting the terms and conditions set forth in the Restructuring Support Documents and in form and substance reasonably acceptable to the Required Investors and use commercially reasonable efforts to seek Bankruptcy Court approval thereof under sections 1125 and 1129 of the Bankruptcy Code as set forth in the Restructuring Support Documents. Prior to filing or disseminating any revision, supplement, modification or amendment to the Plan, the Disclosure Statement or any version of the Plan or the Disclosure Statement, the Issuer will provide counsel to the Investors a copy of such filing, revision, modification, supplement or amendment and a reasonable opportunity to review and comment on such documents prior to being filed or disseminated; provided that such review and comment shall not constitute a presumption or other determination that the documents constitute (and comply with the definition of) either a Plan or a Disclosure Statement, as applicable. In addition, the Issuer will provide counsel to the Investors a copy of a draft of the Confirmation Order and a reasonable opportunity to review such draft prior to such order being filed with the Bankruptcy Court. The Debtors shall not make any revision, supplement, modification or amendment to the Plan or the Disclosure Statement that would change, in a manner that is adverse to the Investors, any of the terms set forth on the Term Sheets attached as Exhibit A hereto without the prior written consent of (i) 50% of the Investors (by purchase obligation) (the "Required Investors"), and (ii) with respect to any change that adversely affects a New Notes Investor in a manner different from the other New Notes Investors, the consent of each such New Notes Investor, and if such consent is not obtained, such non-consenting New Notes Investor shall have no further obligations whatsoever under this Agreement.

(b) Rights Offering. To effectuate the Rights Offering as provided herein and to use commercially reasonable efforts to seek entry of an order of the Bankruptcy Court, prior to the commencement of the Rights Offering, authorizing the Issuer and the other Debtors to conduct the Rights Offering pursuant to the securities exemption provisions set forth in section 1145(a) of the Bankruptcy Code.

(c) Notification. To notify, or to cause the Subscription Agent to notify, on each Friday during the Rights Exercise Period and on each Business Day during the five (5) Business Days prior to the Expiration Time (and any extensions thereto), or more frequently if reasonably requested by an Investor, each Investor of the aggregate principal amount of Rights known by the Issuer or the Subscription Agent to have been exercised pursuant to the Rights Offering as

of the close of business on the preceding Business Day or the most recent practicable time before such request, as the case may be.

(d) Unsubscribed New Notes. To determine, or instruct the Subscription Agent to determine, the principal amount of Unsubscribed New Notes, if any, in good faith, and to provide, or instruct the Subscription Agent to provide a Purchase Notice or a Satisfaction Notice that reflects the principal amount of Unsubscribed New Notes as so determined and to provide to the Investors, such written backup to the determination of the Unsubscribed New Notes as an Investor may reasonably request.

(e) Use of Proceeds. The Issuer will apply the net proceeds from the sale of the New Notes as provided in the Term Sheets.

(f) No Stabilization. The Issuer will not take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the New Notes.

(g) Registration Rights Agreement. The Issuer will file with the Bankruptcy Court as soon as practicable a form of a registration rights agreement (the "Registration Rights Agreement") in form and substance reasonably acceptable to the Issuer and the Required Investors. The Issuer and the Investors shall use commercially reasonable efforts to negotiate and execute, and seek Bankruptcy Court approval of, the Registration Rights Agreement as promptly as practicable.

(h) Conduct of Business. During the period from the date of this Agreement to the Effective Date , the Issuer and its subsidiaries shall carry on their businesses in the ordinary course (subject to any actions which are consistent with the SEC Filings and any limitations on such actions under the Bankruptcy Code) and, to the extent consistent therewith, use their commercially reasonable efforts to preserve intact their current business organizations, keep available the services of their current officers and employees and preserve their relationships with customers, suppliers, licensors, licensees, distributors and others having business dealings with the Issuer or its subsidiaries. Without limiting the generality of the foregoing, and except as otherwise expressly provided or permitted by this Agreement, prior to the Effective Date, the Issuer shall not, and shall cause its subsidiaries not to, take any of the following actions without the prior written consent of the Required Investors, which consent shall not be unreasonably withheld, conditioned or delayed:

(i) (A) declare, set aside or pay any dividends on, or make any other distributions in respect of, any of its capital stock (other than upstream dividends by a direct or indirect wholly-owned subsidiary of the Issuer to the Issuer or another direct or indirect subsidiary of the Issuer), (B) split, combine or reclassify any of its capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in

substitution for shares of its capital stock or (C) purchase, redeem or otherwise acquire, except in connection with the Plan, any shares of capital stock of the Issuer or any other securities thereof or any rights, warrants or options to acquire any such shares or other securities;

(ii) except for intercompany transactions and any financing activities which are consistent with the Issuer's existing financing, issue, deliver, grant, sell, pledge, dispose of or otherwise encumber any of its capital stock or any securities convertible into, or any rights, warrants or options to acquire, any such capital stock at less than fair market value;

(iii) acquire or agree to acquire by merging or consolidating with, or by purchasing a substantial portion of the stock, or other ownership interests in, or substantial portion of assets of, or by any other manner, any business or any corporation, partnership, association, joint venture, limited liability company or other entity or division thereof except in the ordinary course of business;

(iv) sell, lease, mortgage, pledge, grant a lien, mortgage, pledge, security interest, charge, claim or other encumbrance of any kind or nature on or otherwise encumber or dispose of any of its properties or assets, except (A) in the ordinary course of business, (B) to the extent required in connection with the DIP Financing and (C) other transactions involving not in excess of $5 million in any 12 month period;

(v) other than ordinary course trade payables and in connection with raw materials or foreign exchange hedging transactions or the DIP Financing, incur any indebtedness for borrowed money or guarantee any such indebtedness of another individual or entity, issue or sell any debt securities or warrants or other rights to acquire any debt securities of the Issuer, guarantee any debt securities of another individual or entity, enter into any "keep well" or other agreement to maintain any financial statement condition of another person (other than a subsidiary) or enter into any arrangement having the economic effect of any of the foregoing in excess of $5 million in any 12 month period;

(vi) except for the previously negotiated collective bargaining agreement covering Accuride Canada, Inc., enter into any new, or amend or supplement any existing, collective bargaining agreement; or

(vii) authorize any of, or commit or agree to take any of, the foregoing actions.

(i) Access to Information. Subject to applicable law and existing confidentiality agreements between the parties (*provided* that, unless otherwise agreed upon between the Issuer and any particular Investor, prior to receipt of any such information by such Investor, such Investor shall enter into an

amendment to its confidentiality agreement to remove any requirement for the Issuer to disclose material non-public information under Section 4 thereof and such amendment shall be effective until the earlier of the Effective Date or the date on which this Agreement is terminated in accordance with the terms herein), upon reasonable notice, the Issuer shall (and shall cause its subsidiaries to) afford the Investors and their respective directors, officers, employees, investment bankers, attorneys, accountants and other advisors or representatives, reasonable access, throughout the period prior to the Effective Date, to its employees, properties, books, contracts and records and, during such period, the Issuer shall (and shall cause its subsidiaries to) furnish promptly to the Investors all information concerning its business, properties and personnel as may reasonably be requested by any Investor; provided, that the foregoing shall not require the Issuer (i) to permit any inspection, or to disclose any information, that in the reasonable judgment of the Issuer would cause the Issuer to violate any of its obligations with respect to confidentiality to a third party if the Issuer shall have used commercially reasonable efforts to obtain the consent of such third party to such inspection or disclosure, (ii) to disclose any privileged information of the Issuer or any of its subsidiaries or (iii) to violate any laws; provided, further, that the Issuer shall deliver to the Investors a schedule setting in forth in reasonable detail a description of any information not provided to the Investors pursuant to subclauses (i) through (iii) above.

(j) Financial Information. For each month, beginning October 31, 2009 until the Expiration Time, the Issuer shall provide to each Investor an unaudited consolidated balance sheet and related unaudited consolidated statements of operations and consolidated statements of cash flows for the month then ended within 30 days of the end of such month (the "Monthly Financial Statements"). The Monthly Financial Statements, except as indicated therein, shall be prepared in accordance with the Issuer's normal financial reporting practices.

(k) Amendments to Organizational Documents. The Issuer will amend its certificate of incorporation, bylaws and any other required organizational documents to provide for the governance rights granted to holders of the New Notes as set forth in the Term Sheets.

6. Additional Covenants of the Investors. Each of the Investors, severally and not jointly, agrees with the Issuer, with respect to itself only:

(a) No Inconsistent Action. To not file any pleading or take any other action in the Bankruptcy Court with respect to this Agreement, the Plan, the Disclosure Statement or the Confirmation Order of the consummation of the transactions contemplated hereby or thereby that is inconsistent in any material respect with this Agreement or the Issuer's efforts to obtain the entry of court orders consistent with this Agreement other than to enforce such Investor's rights and remedies at law or equity, or to enforce the terms of the Restructuring Support Documents or this Agreement.

(b) Transfer Restrictions. Such Investor acknowledges that Unsubscribed New Notes to be purchased by it pursuant to the terms of this Agreement have not been registered under the Securities Act and that the Company shall not be required to effect any registration of the Unsubscribed New Notes under the Securities Act or any state securities law except as contemplated in the Registration Rights Agreement. Such Investor acknowledges that Unsubscribed New Notes will only be disposed of pursuant to an effective registration statement under the Securities Act or pursuant to an available exemption from the registration requirements of the Securities Act, and in compliance with any applicable state securities laws.

7. Conditions.

(a) Conditions to the Obligations of Each Party. The respective obligations of the Investors and the Issuer to effect the purchase of the Unsubscribed New Notes pursuant to this Agreement on the Effective Date are subject to the following conditions:

(i) Confirmation Order. An order of the Bankruptcy Court confirming a Plan consistent with the Restructuring Support Documents (the "Confirmation Order") shall have been entered and such order shall be final and non-appealable, shall not have been appealed within ten (10) days of entry or, if such order is appealed, shall not have been stayed pending appeal, and there shall not have been entered by any court of competent jurisdiction any reversal, modification or vacatur, in whole or in part, of the Confirmation Order.

(ii) Conditions to Confirmation. The conditions to confirmation and the conditions to the Effective Date of the Plan shall have been satisfied or waived in accordance with the Plan.

(iii) Documentation. The Issuer and the Investors shall have received all the documentation required to consummate the transaction contemplated hereby, including but not limited to the Indenture and, in the case of the Investors, an officers' certificate of the Issuer certifying as to the effect of Section 7(b)(i) hereof and other documents and certificates as the Issuer and the Investors may reasonably require, each duly executed and in form and substance reasonably satisfactory to the Issuer and the Required Investors.

(iv) Rights Offering. The Expiration Time shall have occurred.

(v) No Restraint. No judgment, injunction, decree or other legal restraint shall prohibit the consummation of the Plan, the Rights Offering or the transactions contemplated by this Agreement.

(vi) HSR Act; Regulatory Approvals. If the purchase of Unsubscribed New Notes by any Investor pursuant to this Agreement is subject to the terms of the HSR Act or the laws of any relevant foreign jurisdiction, the applicable

waiting period shall have expired or been terminated thereunder with respect to such purchase.

(vii) No Legal Impediment to Issuance. No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued in each by any federal, state or foreign governmental or regulatory authority that, as of the Effective Date, prohibits the issuance or sale of the Rights or the New Notes or the Purchased New Notes or the sale of the Unsubscribed New Notes pursuant to this Agreement; and no injunction or order of any federal, state or foreign court shall have been issued that, as of the Effective Date, prohibits the issuance or sale of the Rights or the New Notes or the Purchased New Notes or the resale of the Unsubscribed New Notes pursuant to the Agreement.

(viii) Consents. All other material governmental and third party notifications, filings, consents, waivers and approvals required for the consummation of the transactions contemplated by this Agreement and the Plan shall have been made or received.

(b) Conditions to the Obligations of the Investors. The obligation of the Investors to purchase the Unsubscribed New Notes pursuant to this Agreement on the Effective Date are subject to the following conditions:

(i) Representations and Warranties and Covenants. The representations and warranties of the Issuer set forth in this Agreement (other than such representations and warranties set forth in Section 3(h)(iii)) (disregarding all qualifications and exceptions contained therein regarding materiality or Material Adverse Effect) shall be true and correct on the date hereof and on the Effective Date as if made on such date, except, where the failure of such representations and warranties to be so true and correct, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. The Issuer shall have complied in all material respects with all of its material obligations hereunder.

(ii) No Material Adverse Change. Since the date of this Agreement, no Material Adverse Change Event shall have occurred and be continuing.

(iii) Liquidity. As of the Effective Date, the Issuer and its consolidated subsidiaries shall have minimum cash and cash equivalents of $50 million (excluding any cash used to collateralize any letter of credit), adjusted to give effect to the restructuring contemplated under the Plan and the consummation of the Rights Offering, the purchase of the Unsubscribed New Notes by the Investors and the other transactions contemplated by this Agreement.

(iv) Purchase Notice. The Investors shall have received a Purchase Notice in accordance with Section 1(e), dated as of the Determination Date, stating the principal amount of Unsubscribed New Notes to be purchased pursuant to the Backstop Commitment.

(v) Fees, Etc. All fees and other amounts required to be paid or reimbursed to the Investors as of the Effective Date, including, without limitation, the Backstop Fee, shall have been paid or reimbursed in full.

(vi) Registration Rights Agreement. The Issuer shall have entered into the Registration Rights Agreement with the Investors in accordance with Section 5(g), in form and substance reasonably satisfactory to the Required Investors.

(vii) Terms of New Notes. The New Notes shall have the terms set forth in Exhibit A hereto.

(c) Conditions to the Obligations of the Issuer. The obligation of the Issuer to effect the purchase the Unsubscribed New Notes pursuant to this Agreement on the Effective Date are subject to the following conditions:

(i) Representations and Warranties and Covenants. The representations and warranties of the Investors set forth in this Agreement shall be true and correct in all material respects on the date hereof and on the Effective Date as if made on such date. The Investors shall have complied in all material respects with all of their respective material obligations hereunder.

8. Indemnification.

(a) Whether or not the Rights Offering is consummated or this Agreement is terminated, the Issuer (in such capacity, the "Indemnifying Party") shall indemnify and hold harmless the Investors, their respective affiliates and their respective officers, directors, employees, agents and controlling persons (each an "Indemnified Person") from and against any and all losses, claims, damages, liabilities and reasonable expenses, joint or several, to which any such Indemnified Person may become subject arising out of or in connection with any third party claim, challenge, litigation, investigation or proceeding with respect to this Agreement, the Rights Offering, the Backstop Commitment, or the transactions contemplated hereby or thereby, including without limitation, payment of the Backstop Fee, distribution of Rights, purchase and sale of New Notes in the Rights Offering and purchase and sale of Unsubscribed New Notes pursuant to this Agreement, or any breach by the Issuer of this Agreement and to reimburse such Indemnified Persons for any reasonable legal or other reasonable out-of-pocket expenses as they are incurred in connection with investigating, responding to or defending any of the foregoing, provided that the foregoing indemnification will not, as to any Indemnified Person, apply to losses, claims, damages, liabilities or expenses to the extent that they are finally judicially determined to have resulted from any breach of this Agreement by such Indemnified Person or bad faith, gross negligence or willful misconduct on the part of such Indemnified Person. If for any reason the foregoing indemnification is unavailable to any Indemnified Person or insufficient to hold it harmless, then the Indemnifying Party shall contribute to the amount paid or payable by such Indemnified Person as a result of such loss, claim, damage, liability or expense in

such proportion as is appropriate to reflect not only the relative benefits received by the Indemnifying Party on the one hand and such Indemnified Person on the other hand but also the relative fault of the Indemnifying Party, on the one hand, and such Indemnified Person, on the other hand, as well as any relevant equitable considerations. It is hereby agreed that the relative benefits to the Indemnifying Party on the one hand and all Indemnified Persons on the other hand shall be deemed to be in the same proportion as (i) the total value received or proposed to be received by the Issuer pursuant to the sale of New Notes contemplated by this Agreement bears to (ii) the aggregate fee paid or proposed to be paid to the Investors in connection with such sale.

(b) Promptly after receipt by an Indemnified Person of notice of the commencement of any claim, litigation, investigation or proceeding relating to this Agreement, the Rights Offering, the Backstop Commitment, or any of the transactions contemplated hereby or thereby ("Proceedings"), such Indemnified Person will, if a claim is to be made hereunder against the Indemnifying Party in respect thereof, notify the Indemnifying Party in writing of the commencement thereof; provided that the omission so to notify the Indemnifying Party will not relieve it from any liability that it may have hereunder except to the extent it has been materially prejudiced by such failure. In case any such Proceedings are brought against any Indemnified Person and it notifies the Indemnifying Party of the commencement thereof, the Indemnifying Party will be entitled to participate therein, and, to the extent that it may elect by written notice delivered to such Indemnified Person, to assume the defense thereof, with counsel reasonably satisfactory to such Indemnified Person, provided that if the defendants in any such Proceedings include both such Indemnified Person and the Indemnifying Party and such Indemnified Person shall have concluded that there may be legal defenses available to it that are different from or additional to those available to the Indemnifying Party, such Indemnified Persons shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such Proceedings on behalf of such Indemnified Person. Upon receipt of notice from the Indemnifying Party to such Indemnified Person of its election so to assume the defense of such Proceedings and approval by such Indemnified Person of counsel, the Indemnifying Party shall not be liable to such Indemnified Person for expenses incurred by such Indemnified Person in connection with the defense thereof (other than reasonable costs of investigation) unless (i) such Indemnified Person shall have employed separate counsel in connection with the assertion of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the Indemnifying Party shall not be liable for the expenses of more than one separate counsel representing the Indemnified Persons who are parties to such Proceedings), (ii) the Indemnifying Party shall not have employed counsel reasonably satisfactory to such Indemnified Person to represent such Indemnified Person within a reasonable time after notice of commencement of the Proceedings or (iii) the Indemnifying Party shall have authorized in writing the employment of counsel for such Indemnified Person.

(c) The Indemnifying Party shall not be liable for any settlement of any Proceedings effected without its written consent (which consent shall not be unreasonably withheld). If any settlement of any Proceeding is consummated with the written consent of the Indemnifying Party or if there is a final judgment for the plaintiff in any such Proceedings, the Indemnifying Party agrees to indemnify and hold harmless each Indemnified Person from and against any and all losses, claims, damages, liabilities and expenses by reason of such settlement or judgment in accordance with, and subject to the limitations of, the provisions of this Section 8. The Indemnifying Party shall not, without the prior written consent of an Indemnified Person (which consent shall not be unreasonably withheld), effect any settlement of any pending or threatened Proceedings in respect of which indemnity has been sought hereunder by such Indemnified Person unless (a) such settlement includes an unconditional release of such Indemnified Person in form and substance reasonably satisfactory to such Indemnified Person from all liability on the claims that are the subject matter of such Proceedings and (b) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

9. Acknowledgements and Agreements of the Debtors. Notwithstanding anything herein to the contrary, the Debtors acknowledge and agree that (a) the transactions contemplated hereby are arm's-length commercial transactions between the Issuer and the Debtors, on the one hand, and the Investors, on the other, (b) in connection therewith and with the processes leading to such transactions, each Investor is acting solely as a principal and not the agent or fiduciary of the Issuer or the Debtors or their estates, (c) the Investors have not assumed advisory or fiduciary responsibilities in favor of the Issuer or the Debtors or their estates with respect to such transactions or the processes leading thereto and (d) the Issuer and the Debtors have consulted their own legal and financial advisors to the extent they deemed appropriate.

10. Defaulting Investor.

(a) If any Investor defaults on its obligation to purchase the Unsubscribed New Notes that it has agreed to purchase hereunder, the non-defaulting Investors may in their discretion arrange for the purchase of such Unsubscribed New Notes by other persons satisfactory to the Issuer (including such non-defaulting Investors on a pro rata basis) on the terms contained in this Agreement. As used in this Agreement, the term "Investor" includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule A hereto that, pursuant to this Section 10, purchases the Unsubscribed New Notes that a defaulting Investor agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Unsubscribed New Notes of a defaulting Investor or Investors by the non-defaulting Investors and the Issuer as provided in paragraph (a) above, the Issuer shall not have initiated litigation against the defaulting Investor or Investors seeking specific performance of their obligations under this Agreement and the aggregate principal amount of Unsubscribed New Notes that remain unpurchased

on the Effective Date exceeds $15.0 million, then this Agreement shall terminate without liability on the part of the non-defaulting Investors. Any termination of this Agreement pursuant to this Section 10 shall be without liability on the part of the Issuer, except that the Issuer will continue to be liable for the payment of expenses as set forth in Section 3(c) hereof and except that the provisions of Section 8 hereof shall not terminate and shall remain in effect.

(c) Nothing contained herein shall relieve a defaulting Investor of any liability it may have to the Issuer or any non-defaulting Investor for damages caused by its default.

11. Survival of Representations and Warranties. The representations and warranties made in this Agreement will survive the execution and delivery of this Agreement for the length of the applicable statute of limitations with respect thereto.

12. Termination.

(a) This Agreement shall automatically terminate:

(i) if the assumption of this Agreement by the Debtors has not been approved by the Bankruptcy Court by final order within thirty-five (35) days after the date on which the Debtors file petitions commencing the Chapter 11 Case;

(ii) if the purchase and sale contemplated by Section 2(a) have not occurred by April 15, 2010;

(iii) if the Noteholders Restructuring Support Agreement has been terminated by any of the parties thereto for whatever reasons; or

(iv) if the Lenders Restructuring Support Agreement has been terminated by any of the parties thereto for whatever reasons.

(b) The Required Investors may, acting collectively, terminate this Agreement:

(i) if the Issuer or any of the other Debtors has failed to meet any of the deadlines set forth in Section 6 of the Noteholders Restructuring Support Agreement as in effect at the time;

(ii) if the Debtors shall not have provided evidence satisfactory to the Required Noteholders that lenders representing at least 67% of the aggregate principal amount of the First Out Loan Obligations (as defined in the Credit Agreement) outstanding under the Credit Agreement have executed the Lender Restructuring Support Agreement within seven (7) Business Days after the entry of a order by the Bankruptcy Court approving the Disclosure Statement;

(iii) upon the failure of any of the conditions set forth in Section 7 hereof to be satisfied, which failure cannot be cured by April 15, 2010;

(iv) if the Issuer makes a public announcement that it intends to support or supports, or enters into an agreement to support, or files any pleading or document with the Bankruptcy Court indicating its intention to support, or support, any Competing Transaction; or the Issuer enters into a Competing Transaction;

(v) if the Issuer has materially breached its obligations under this Agreement, the Noteholders Restructuring Support Agreement or the Lenders Restructuring Support Agreement and such breach is not cured (to the extent curable) within five (5) Business Days after first being aware of such breach or the giving of written notice by any Investor to the Issuer of such breach (whichever is earlier);

(vi) if the Plan does not conform in all economic and other material respects to the Term Sheets with respect to the treatment of the Old Notes;

(vii) if the Plan does not conform in all economic and other material respects to the Term Sheets with respect to the treatment of the Investors;

(viii) if the terms of the Plan and the exhibits and any supplements thereto not otherwise set forth in the Restructuring Support Documents, including any amendment or modification of any of the foregoing, shall not be in form or substance reasonably acceptable to the Required Investors;

(ix) if an order dismissing or converting the chapter 11 case of any of the Debtors to a case under chapter 7 of the Bankruptcy Code is entered by the Bankruptcy Court;

(x) if the Debtors' exclusive right to file a chapter 11 plan pursuant to section 1121 of the Bankruptcy Code shall have terminated;

(xi) any court of competent jurisdiction or other competent governmental or regulatory authority issues a ruling, determination, or order making illegal or otherwise restricting, preventing or prohibiting the consummation of the Restructuring substantially on the terms set forth in the Term Sheets and in this Agreement, including an order of the Bankruptcy Court denying confirmation of the Plan, which ruling, determination or order (i) has been in effect for 30 days and (ii) is not stayed;

(xii) upon the entry of an order by the Bankruptcy Court appointing an examiner with enlarged powers relating to the operation of the material part of the business of the Debtors, taken as a whole (powers beyond those set forth in section 1106(a)(3) and (4) of the Bankruptcy Code) under section 1106(b) of the Bankruptcy Code, or the entry of an order by the Bankruptcy Court appointing a trustee under section 1104 of the Bankruptcy Code;

(xiii) if the Bankruptcy Court shall enter an order approving a payment to any party (whether in cash or other property or whether as adequate protection,

settlement of a dispute, or otherwise) that would be inconsistent with the treatment of such party under the Restructuring Support Documents;

(xiv) upon the entry of an order dismissing one or more of the Debtors' chapter 11 cases;

(xv) if (A) the Issuer shall not have obtained an interim order (the "Interim DIP Order") substantially and in all material respects in the form attached as Exhibit B hereto approving the DIP Financing on the terms and conditions set forth in the DIP Agreement within five (5) days after the Chapter 11 Commencement Date; (B) the Issuer has not obtained a final order approving the DIP Financing (such final order, together with the Interim DIP Order, the "DIP Order") on the terms and conditions set forth in the DIP Agreement within forty-five (45) days after the Chapter 11 Commencement Date; or (C) there shall have occurred a "Termination Date" under the DIP Order or the DIP Agreement and the enforcement by the DIP lenders of any of their rights and remedies thereunder;

(xvi) any order required to be entered by the Bankruptcy Court under this Section 12 and Section 6 of the Noteholders Restructuring Support Agreement on a final basis shall not become a final order within a reasonable period of time;

(xvii) the Debtors shall have made a material change to the DIP Budget (as defined in the Noteholders Restructuring Support Agreement) without the prior written consent of the Required Investors; or

(xviii) the Plan does not receive the requisite number of votes in favor of such Plan in number and amount in the class of claims in which the Eligible Holders' claims are placed.

(c) If (i) this Agreement is terminated pursuant to Section 12(b)(iii) or 12(d) and at the time of such termination the Investors are in compliance in all material respects with this Agreement, or (ii) this Agreement is terminated pursuant to Section 12 (a)(ii) or Section 12(b) and within 12 months after such termination of this Agreement, the Issuer or any of its subsidiaries (A) enters into an agreement or files any pleading or document with the Bankruptcy Court evidencing its intention to support, or otherwise supports, any Competing Transaction (as defined below), or (B) enters into a Competing Transaction, in each case, if such Competing Transaction relates to the Issuer's sale of substantially all of its assets under Section 363 of the Bankruptcy Code or other sale of the Issuer through an auction process, then upon the closing of such Competing Transaction, the Issuer shall pay the Investors an aggregate fee of $10 million (the "Termination Fee"), and the Issuer shall also pay to the Investors any Transaction Expenses certified by the Investors to be due and payable hereunder that have not been paid theretofore and such Termination Fee and Transaction Expenses shall, subject to approval of the Bankruptcy Court, constitute

administrative expenses of the Issuer. The provision for the payment of the Termination Fee and Transaction Expenses is an integral part of the transactions contemplated by this Agreement, and without this provision the Investors would not have entered into this Agreement. The Issuer agrees to use its best efforts to obtain approval from the Bankruptcy Court of the Termination Fee. If the Bankruptcy Court fails or refuses to enter an order approving the terms of this Section 12(c), including but not limited to, the Termination Fee, such failure or refusal shall not affect the Investors' commitment hereunder or the other provisions of this Agreement. If the Bankruptcy Court approves the Termination Fee, the Termination Fee shall be the sole and exclusive remedy of the Investors for any breach of this Agreement in circumstances in which the Termination Fee is required to be paid other than any breach of the provisions of Section 13 hereof. Payment of all amounts due under this Section 12(c), shall be made by wire transfer of immediately available funds to the account specified by the Investors at least 24 hours in advance to the Issuer. If payment of the Termination Fee and Transaction Expenses due under this Section 12(c) are not paid, and the Investors are forced to commence any action or proceeding to collect same which results in a final judgment against the Issuer no longer subject to appeal, the Issuer shall pay to the Investors all costs and expenses, including attorneys' fees, in connection with collecting or enforcing their rights and remedies hereunder.

(d) The Issuer may terminate this Agreement in order to enter into a Superior Transaction (as defined below) or an agreement to support a Superior Transaction.

(e) Upon termination under this Section 12, the covenants and agreements made by the parties herein under Sections 9, 11, 12(c) and 13 through 20 will survive indefinitely in accordance with their terms.

13. Competing Transactions. From the date of this Agreement to the Effective Date or earlier termination of this Agreement, the Issuer shall not make a public announcement that it intends to support or supports, enter into an agreement to support, or file any pleading or document with the Bankruptcy Court evidencing its intention to support, or otherwise knowingly support, any transaction inconsistent with this Agreement or the Plan, shall not file any plan that is not the Plan and shall not agree to, consent to, knowingly provide any support to, solicit, participate in the formulation of, or vote for any transaction or plan of reorganization other than the Plan (a "Competing Transaction"). Notwithstanding anything to the contrary herein, or in the Plan or any other agreement among the Issuer and the Investors, at any time prior to the date on which the Plan is confirmed by the Bankruptcy Court, if the Issuer has received a bona fide written proposal for a Competing Transaction that the special committee of the board of directors of the Issuer or, if the special committee is no longer in existence, the board of directors of the Issuer determines in good faith is or could reasonably be expected to lead to a Superior Transaction and that the failure of the Board to pursue such Competing Transaction could reasonably be expected to result in a breach of the Board of Directors' fiduciary duties under applicable law, then the Issuer may (a) furnish non-public information to, and engage in discussions and negotiations with, the person making such

proposal and its representatives with respect to the Competing Transaction, and (b) terminate this Agreement pursuant to Section 12(d) in order to enter into a Superior Transaction or an agreement to support a Superior Transaction. For purposes of this Agreement, a "Superior Transaction" shall be a Competing Transaction that the special committee of the board of directors of the Issuer or, if the special committee is no longer in existence, the board of directors of the Issuer determines in good faith (x) would be in the best interests of the Issuer and its creditor constituencies and equity holders as a whole, including, but not limited to the Investors, and (y) would reasonably be expected to provide a superior recovery (but, with respect to any creditor constituent, not in excess of its claim) to each class of creditor constituencies and equity holders. At all times prior to, on, or after the date of the commencement of the Chapter 11 Case, the Issuer shall be obligated to promptly deliver to the advisors for the Investors all written communications delivered to or received by the Issuer or its advisors making or materially modifying any proposals with respect to any Competing Transaction, including, without limitation, copies of all expressions of interest, term sheets, letters of interest, offers, proposed agreements or otherwise, and shall periodically update (not less than once every week) the advisors for the Investors concerning such matters.

14. Notices. All notices and other communications in connection with this Agreement will be in writing and will be deemed given (and will be deemed to have been duly given upon receipt) if delivered personally, sent via electronic facsimile (with confirmation), mailed by registered or certified mail (return receipt requested) or delivered by an express courier (with confirmation) to the parties at the following addresses (or at such other address for a party as will be specified by like notice):

(a) If to Investors or any of the Investors, at their respective addresses set forth on the signature pages hereto, with copies to:

Rothschild Inc.
1251 Avenue of the Americas, 51st Floor
New York, NY 10020
Facsimile: (212) 403-5454
Attn: Steven Ledoux

and

Milbank, Tweed, Hadley & McCloy LLP
601 South Figueroa Street, 30th Floor
Los Angeles, CA 90017
Facsimile: (213) 892-4277
Attn: Paul S. Aronzon, Esq.

(b) If to the Issuer, to:

Accuride Corporation
77140 Office Circle
Evansville, IN 47715
Attention: Steve Martin, Esq.

Facsimile: (812) 962-5470

with a copy to:

Latham & Watkins LLP
Sears Tower, Suite 5800
233 South Wacker Drive
Chicago, IL 60606
Attn: David S. Heller, Esq.
Bradley Faris, Esq.
Facsimile: (312) 993-9767

15. Assignment; Third Party Beneficiaries. Neither this Agreement nor any of the rights, interests or obligations under this Agreement will be assigned by any of the parties (whether by operation of law or otherwise) without the prior written consent of the other party. Notwithstanding the previous sentence, this Agreement, or any Investor's obligations hereunder, may be assigned, delegated or transferred, in whole or in part, by an Investor to (i) any entity or person over which such Investor or any of its Affiliates exercises investment authority, including, without limitation, with respect to voting and dispositive rights or (ii) any person or entity reasonably acceptable to the Issuer to which such Investor transfers the Old Notes held by it; provided, that any such assignee assumes the obligations of the Investor hereunder and agrees in writing to be bound by the terms of this Agreement in the same manner as the Investor. Notwithstanding the foregoing or any other provisions herein, no such assignment will relieve the assigning Investor of its obligations hereunder if such assignee fails to perform such obligations. Except as provided in Section 8 with respect to the Indemnified Parties, this Agreement (including the documents and instruments referred to in this Agreement) is not intended to and does not confer upon any person other than the parties hereto any rights or remedies under this Agreement. Notwithstanding the foregoing or any other provisions herein to the contrary, an Investor may not assign any of its rights or obligations under this Agreement, to the extent such assignment would affect the securities laws exemptions applicable to this transaction.

16. Prior Negotiations; Entire Agreement. This Agreement (including the exhibits hereto and the documents and instruments referred to in this Agreement) constitutes the entire agreement of the parties and supersedes all prior agreements, arrangements or understandings, whether written or oral, between the parties with respect to the subject matter of this Agreement, except that the parties hereto acknowledge that any confidentiality agreements heretofore executed among the parties will continue in full force and effect.

17. Governing Law; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, regardless of the laws that might otherwise govern under applicable principles of conflict of laws of the State of New York. By its execution and delivery of this Agreement, each of the parties hereto hereby irrevocably and unconditionally agrees for itself that any legal action, suit, or proceeding against it with respect to any matter under or arising out of or in connection

with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit, or proceeding, shall be brought in a federal court of competent jurisdiction in the Southern District of New York. By execution and delivery of this Agreement, each of the parties hereto hereby irrevocably accepts and submits to the nonexclusive jurisdiction of such court, generally and unconditionally, with respect to any such action, suit, or proceeding. Notwithstanding the foregoing consent to jurisdiction, upon the commencement of the Debtors' chapter 11 cases, each of the parties hereto hereby agrees that the Bankruptcy Court shall have exclusive jurisdiction over all matters arising out of or in connection with this Agreement.

18. Counterparts. This Agreement may be executed in any number of counterparts, all of which will be considered one and the same agreement and will become effective when counterparts have been signed by each of the parties and delivered to the other party (including via facsimile or other electronic transmission), it being understood that each party need not sign the same counterpart.

19. Waivers and Amendments. This Agreement may be amended, modified, superseded, cancelled, renewed or extended, and the terms and conditions of this Agreement may be waived, only by a written instrument signed by the parties or, in the case of a waiver, by the party waiving compliance, and subject, to the extent required, to the approval of the Bankruptcy Court. No delay on the part of any party in exercising any right, power or privilege pursuant to this Agreement will operate as a waiver thereof, nor will any waiver on the part of any party of any right, power or privilege pursuant to this Agreement, nor will any single or partial exercise of any right, power or privilege pursuant to this Agreement, preclude any other or further exercise thereof or the exercise of any other right, power or privilege pursuant to this Agreement. The rights and remedies provided pursuant to this Agreement are cumulative and are not exclusive of any rights or remedies which any party otherwise may have at law or in equity.

20. Headings. The headings in this Agreement are for reference purposes only and will not in any way affect the meaning or interpretation of this Agreement.

21. Specific Performance. The parties acknowledge and agree that any breach of the terms of this Agreement would give rise to irreparable harm for which money damages would not be an adequate remedy, and, accordingly, the parties agree that, in addition to any other remedies, each will be entitled to enforce the terms of this Agreement by a decree of specific performance without the necessity of proving the inadequacy of money damages as a remedy and without the necessity of posting bond.

[*Signature Page Follows*]

If the foregoing is in accordance with your understanding, please sign and return to us a counterpart hereof, and upon the acceptance hereof by you, this letter and such acceptance hereof will constitute a binding agreement between you, and (subject to the approval of the Bankruptcy Court) and the Issuer.

Very truly yours,

**ACCURIDE CORPORATION**

By: _____
Name:
Title:

Accepted as of the date hereof:

BLACKROCK FINANCIAL MANAGEMENT, INC

By:_____
Name:
Title:

40 East 52nd Street, 4th Floor
New York, NY 10022

Facsimile: _____

Attn: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

BRIGADE LEVERAGED CAPITAL STRUCTURES FUND, LTD.

BRIGADE CAPITAL MANAGEMENT, LLC

as Collateral Manager

By: _____

Name:

Title:

399 Park Avenue
New York, NY 10022

Facsimile: _____

Attn: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

SANKATY ADVISORS, LLC

By: _____

Name:

Title:

111 Huntington Avenue
Boston, MA 02199

Facsimile: _____

Attn: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

TINICUM LANTERN II L.L.C.

By: _____

Name:

Title:

800 Third Avenue, 40th Floor
New York, NY 10022

Facsimile: _____

Attn: _____

EXHIBIT A

TERM SHEETS

**FOR SETTLEMENT DISCUSSIONS ONLY**
**DATED: October 7, 2009**

# ACCURIDE CORPORATION
# NON-BINDING TERM SHEET FOR PROPOSED RESTRUCTURING

Reference is made to those certain 8.5% Senior Subordinated Notes due 2015 (collectively, the "Old Notes") issued by Accuride Corporation, a Delaware corporation ("Accuride", and together with all of its direct and indirect subsidiaries, the "Company").

For discussion purposes only, the following outline of the principal terms and conditions of a restructuring is being submitted for consideration. The *ad hoc* committee (the "Committee") of certain entities[1] that hold or manage the Old Notes contemplates implementing these transactions through a pre-arranged Chapter 11 case to be filed shortly after agreement on this Term Sheet is reached. This Term Sheet and all related communications shall be deemed to be settlement negotiations and subject to Federal Rule of Evidence 408.

**This Term Sheet replaces and supersedes all prior agreements and understandings, both written and oral, between the Committee and the Company and their respective advisors with respect to the subject matter hereof.**

[1] The *ad hoc* committee consists of Blackrock Financial Management, Inc., Brigade Capital Management, LLC, Canyon Capital Advisors LLC, Principal Global Investors LLC, Sankaty Advisors, LLC and Tinicum Incorporated.

## Treatment of Current Stakeholders

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| 1. **Term Facility (the "Term Facility") and Revolving Credit Facility (the sum of the Canadian Revolving Facility and the US Revolving Facility, together the "Revolving Credit Facility") under the Credit Agreement (as amended, the "Credit Agreement"), with Citicorp USA, Inc. as administrative agent ("Agent")**<br><br>(Approximately $56.07 million and $224.60 million outstanding under the Revolving Credit Facility and the Term Facility, respectively as of September 25, 2009) | The Credit Agreement shall be amended with terms and conditions, including covenants and maturities, consistent with the terms set forth in the "Senior Prepetition Debt Restructuring Term Sheet" (in the form approved by the Committee as of the date hereof). |
| 2. Last-Out Facility (the "Sun Facility") under the Credit Agreement (Approximately $70 million outstanding as of September 25, 2009) | The Sun Facility will be repaid or redeemed from the proceeds of new financing (see "Implementation – New Capital" below) on terms acceptable to the Company and the Old Noteholders. |
| 3. **Claims of the Holders (the "Old Noteholders") of the 8.5% Senior Subordinated Notes due 2015 (the "Old Notes") including all related guarantee claims against the Company**<br><br>($275 million in principal outstanding, together with accrued interest of $15.3 million as of September 25, 2009) | The Old Noteholders shall receive their pro rata share of shares of common stock issued by restructured or reorganized Accuride (the "New Common Stock"), sufficient to result in the Old Noteholders receiving 98.0% of the aggregate issued and outstanding New Common Stock on a fully diluted basis, except as provided below (the "Noteholder Equity"). The Noteholder Equity shall be subject to dilution by shares issued upon (a) the exercise of the New Warrants (as defined below), (b) the exercise of any options to purchase New Common Stock provided under a management incentive plan acceptable to the new Board of Directors (the "Old Equity Retention"), and (c) the |

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| | conversion of (A) the senior convertible notes (the "New Notes") described in the "Implementation – New Capital" section below and (B) the notes representing the paid-in-kind interest on the New Notes (the "PIK Notes"). |
| 4. **Other Secured and Unsecured Claims** | Unimpaired. |
| 5. **Common Equity in Accuride (the "Old Equity")** | The holders of the Old Equity would receive their pro rata share of:<br><br>(i) 2.0% of the aggregate issued and outstanding New Common Stock on a fully diluted basis, after giving effect to the transactions contemplated herein and subject to further dilution by shares issued upon (a) the exercise of the New Warrants, (b) the exercise of any options to purchase New Common Stock provided under a management incentive plan, and (c) the conversion of the New Notes and the PIK Notes; and<br><br>(ii) "New Warrants", which would enable the holders thereof to purchase up to 15% in the aggregate of the New Common Stock on a fully diluted basis, subject to further dilution by shares issued upon (a) the exercise of any options to purchase New Common Stock provided under a management incentive plan and (b) the conversion of the New Notes and the PIK Notes. The New Warrants would expire 2 years from the date of their issuance. The New Warrants would be exercisable at a strike price that is 110% of a par recovery on the Old Notes on the effective date of a Restructuring. The New Warrants would have other terms and conditions that are customary for securities of this type.<br><br>In connection with a pre-arranged Chapter 11 case, all equity interests in Accuride including all options, warrants and other agreements to acquire equity interests of any kind in Accuride (including any arising under or in connection with any employment agreement) will be cancelled. Provided that the Old Equity class votes to accept the plan of reorganization, the holders of Old Equity would receive New Common Stock in a percentage equal to the Old Equity Retention. |

## Implementation

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| 1. **Restructuring Transaction** | The Company shall restructure its capital structure (the "Restructuring") through a pre-arranged plan of reorganization (the "Plan") for the Company in a case commenced under chapter 11 of the Bankruptcy Code (the "Chapter 11 Case"), the material terms and conditions of which will be set forth in this Term Sheet and in the restructuring support agreement to be executed by the Committee and the Company (as amended, supplemented or otherwise modified, the "Restructuring Agreement"), together with the New Capital Term Sheet (as defined below), the restructuring support agreement to be executed by the Company and certain prepetition lenders to the Company and the Senior Prepetition Debt Restructuring Term Sheet. |
| 2. **Chapter 11 Case** | The conditions to confirmation and to the effective date of the Plan shall each be in form and substance reasonably acceptable to the Committee and the Company. The Plan will provide that no condition may be waived, amended or deleted without the consent of the Committee, not to be unreasonably withheld or delayed. All documents, including without limitation, the Plan, the order approving a disclosure statement with respect to the Plan, the confirmation order, including any findings of fact and conclusions of law with respect thereto, and the corporate governance and related documents for the reorganized Company, shall each be in form and substance reasonably acceptable to the Committee and the Company. In addition, the business plan included in the disclosure statement with respect to the Plan shall be substantially the same business plan as that contained in the presentations titled "Public Lenders Presentation" and "Private Lender Supplement," each dated July 2009, which were provided by the Company to the Committee, with any change to be reasonably acceptable to the Committee. |
| 4. **Public Markets** | The Company shall covenant that all shares of New Common Stock will upon issuance be freely tradable under applicable securities laws, validly issued, fully paid, and non-assessable. The Company will use its best efforts to list such shares of New Common Stock on the Over the Counter Bulletin Board or another national exchange or quotation service. |

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| 5. | **New Capital** | The terms of the New Notes shall be set forth in a separate term sheet (the "New Capital Term Sheet"). |
| 6. | **DIP Financing** | The Company shall obtain debtor-in-possession financing ("DIP Financing") in amounts and on terms and conditions set forth in the DIP credit agreement (in the form approved by the Committee on the date hereof). |
| 7. | **Canadian Operations** | The Company shall maintain current business operations in Canada and obtain an appropriate waiver/forbearance under the Credit Agreement with respect to Accuride Canada, which shall be reasonably satisfactory to the Committee. |

## Corporate Matters

| | |
|---|---|
| 1. **Restructuring Expenses** | The Company will pay (i) the fees and expenses of the Committee's counsel (including local counsel) and financial advisor in accordance with their respective engagement letters, and (ii) the reasonable out-of-pocket expenses of the Committee members in connection with any travel to meetings with the Company. The obligations of the Company to pay such fees and expenses shall not be subject to the bankruptcy court's approval of such fees and expenses. |
| 2. **Documentation** | The foregoing proposals are subject to the negotiation of definitive documents, in form and substance acceptable to the Company and the Committee and the members thereof. |
| 3. **Board of Directors** | The size and composition of the Board of Directors will be mutually agreed upon between the Committee and Accuride. |
| 4. **Corporate Governance** | Certificates of incorporations, by-laws and all constituent documents shall be in form and substance acceptable to the Committee and the Company. |
| 5. **Releases, Exculpation Management Incentive Plan** | Terms to be proposed by and acceptable to the Committee and the Company. |
| 6. **Registration Rights Agreement** | Terms to be proposed by and acceptable to the Committee and the Company. |

# ACCURIDE CORPORATION
# TERM SHEET FOR NEW CAPITAL
# IN CONNECTION WITH PROPOSED RESTRUCTURING

Reference is made to those certain 8.5% Senior Subordinated Notes due 2015 (collectively, the "Old Notes" and the holders thereof, the "Old Noteholders") issued by Accuride Corporation, a Delaware corporation ("Accuride", and together with all of its direct and indirect subsidiaries, the "Company").

For discussion purposes only, the following outline of the principal terms and conditions of the new capital to be raised in connection with a proposed restructuring (the "Restructuring") is being submitted by the *ad hoc* committee (the "Committee") of certain entities[2] that hold or manage the Old Notes for consideration by the Company. This is the New Capital Term Sheet referred to in the "Implementation – New Capital" section in the term sheet for the Restructuring (the "Master Term Sheet") being considered by the Company, the Committee and certain other stakeholders and should be read in conjunction with the Master Term Sheet. This New Capital Term Sheet and all related communications shall be deemed to be settlement negotiations and subject to Federal Rule of Evidence 408. All terms used and not defined herein shall have the meanings ascribed to them in the Master Term Sheet.

**This New Capital Term Sheet replaces and supersedes all prior agreements and understandings, both written and oral, between the Committee and the Company and their respective advisors with respect to the subject matter hereof.**

[2] The *ad hoc* committee consists of Blackrock Financial Management, Inc., Brigade Capital Management, LLC, Canyon Capital Advisors LLC, Principal Global Investors LLC, Sankaty Advisors, LLC and Tinicum Incorporated.

| Terms of New Capital | |
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| **Issuer:** | Accuride Corporation, a Delaware corporation. |
| **Securities to be Issued:** | Accuride will issue senior convertible notes in an aggregate principal amount of US$140.0 million (the "Initial Notes", and together with the PIK Notes (as defined below), the "New Notes"), plus paid-in-kind ("PIK") interest as set forth below. The New Notes shall be convertible into shares of New Common Stock as set forth below and have such other terms specified herein. |
| **Use of Proceeds** | The proceeds from the issuance and sale of the Initial Notes shall be used (a) to repay or redeem in full the last out term loans of Sun Capital and its affiliates (the "Sun Facility"); (b) to repay in full any debtor in possession financing facility of Accuride and its affiliated co-debtors and to pay, or make provision for the payment of, administrative claims; and (c) for general corporate purposes. |
| **Closing Date:** | Upon the consummation of a plan of reorganization for the Company in form and substance reasonably acceptable to the Backstop Providers and consistent with the Master Term Sheet (in the form approved by the Backstop Providers as of the date hereof), this New Capital Term Sheet and the "Senior Prepetition Debt Restructuring Term Sheet" (in the form approved by the Backstop Providers as of the date hereof) (the "Closing"), but no later than April 15, 2010. |
| **Investors:** | - The Initial Notes shall be offered to the Old Noteholders, with each of the Old Noteholders entitled to purchase up to its pro rata share of the Initial Notes (the purchasing Old Noteholders, collectively, the "New Notes Investors"), that is, that each Old Noteholder as of a record date to be determined shall be entitled to purchase up to that percentage of the Initial Notes equal to such Old Noteholder's percentage holdings of the Old Notes.<br>- The Backstop Providers listed below shall enter into agreement(s) to subscribe, in accordance with Schedule A to the Convertible Notes Commitment Agreement (the "Commitment Agreement"), for any portion of the Initial |

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| | Notes not subscribed for by the Old Noteholders (the "Unsubscribed New Notes"). The Backstop Providers shall be entitled to receive backstop commitment fees as set forth in, and in accordance with the terms of, the Commitment Agreement.<br>- The Backstop Providers are Blackrock Financial Management, Inc., Brigade Capital Management, LLC, Sankaty Advisors, LLC and Tinicum Lantern II L.L.C. Each Backstop Provider will be committed to acquire the percentage of any Unsubscribed New Notes that is specified on Schedule A to the Commitment Agreement. |
| **Transfer:** | Subject to applicable securities laws, the New Notes Investors and their respective permitted transferees shall have the right to transfer freely the New Notes or the New Common Stock received upon conversion of the New Notes (the "Conversion Shares") at any time. |
| **Interest Rate:** | Interest on the New Notes will be payable semi-annually, with the first six interest payments being payable in PIK and the remaining being payable in cash, at a rate of 7.5% per annum. To the extent interest on the New Notes is paid in PIK, the additional notes so paid (the "PIK Notes") shall be convertible into New Common Stock at the same Conversion Price (as defined below) as the New Notes. |
| **Maturity Date:** | The New Notes will mature ten (10) years from the date of Closing. |
| **Ranking:** | The New Notes will be senior unsecured debt obligations of Accuride. The New Notes will rank *pari passu* in right of payment to any existing senior unsecured debt of Accuride or any Guarantor (as defined below), and senior in right of payment to any current or future subordinated debt of Accuride or of any Guarantor. |
| **Subsidiary Guarantees:** | All of the direct and indirect subsidiaries of Accuride (the "Guarantors") will guarantee Accuride's payment obligations with respect to the New Notes. |
| **Conversion/Dividend** | The New Notes shall be convertible at any time at the option of |

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| **Participation:** | the holder thereof, in part or in whole, into New Common Stock at a conversion price (the "Conversion Price") that results in the Initial Notes, if converted in whole immediately upon issuance and without giving effect to the accrual of any PIK Interest, being convertible into the equivalent of 60.0% of all the outstanding New Common Stock (on a fully diluted basis). The Conversion Price shall be subject to adjustment from time to time as described in the section entitled "Anti-Dilution Protection" below. In addition to the interest otherwise specified herein, there shall be payable additional interest on the New Notes in an aggregate amount equal to the amount of any dividends or distributions paid on the New Common Stock prior to conversion (adjusted to reflect the amount of New Common Stock into which the New Notes are then convertible), other than in-kind dividends and distributions, which shall be distributed to the holders of the New Notes on an as-converted basis. |
| **Voting Rights:** | The holders of the New Notes shall be entitled to exercise all the voting rights associated with the New Common Stock on an as-converted basis. |
| **Anti-Dilution Protection:** | The New Notes shall have customary anti-dilution provisions with respect to stock splits, combinations, issuance of shares or convertible instruments below the greater of market price (or, if the New Common Stock is not actively traded, fair market value) and the Conversion Price on a standard weighted average basis and other standard anti-dilution provisions, as well as a provision that protects the New Notes from dilution by issuance of the PIK Notes. Notwithstanding the foregoing, anti-dilution provisions of the New Notes shall not apply to the issuance of options and other stock incentives under a management incentive plan approved by Accuride's post-emergence Board of Directors. |
| **Prepayment or Redemption:** | The New Notes shall not be prepayable at any time or redeemable prior to maturity without the holders' consent. |
| **Put Right on Change of Control:** | Customary change of control provisions to be agreed upon between the Company and the New Notes Investors. |
| **Make-Whole:** | The definitive documents will provide for a make-whole upon the occurrence of certain events to be determined. |

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| **Affirmative/Reporting Covenants:** | Customary affirmative and reporting covenants to be agreed upon. |
| **Negative Covenants:** | So long as any New Notes are outstanding, Accuride shall not, and shall not permit any of its subsidiaries to, without the approval of the holders of more than 50% of the New Notes:<br>1. Purchase or redeem any capital stock of Accuride, or pay any dividends or distributions with respect to any such capital stock;<br>2. Modify any rights, preferences or privileges in respect of the New Common Stock;<br>3. Issue any capital stock that has a liquidation or other preference senior to the New Common Stock;<br>4. Modify Accuride's charter or bylaws in any way that is adverse to holders of the New Notes or the New Common Stock, including by the provision of any preferred or otherwise senior class of capital stock to the New Common Stock;<br>5. Permit or cause the voluntary bankruptcy or winding up or dissolution of Accuride;<br>6. Incur any debt (other than the debt under the Credit Agreements outstanding as of the date of Closing), subject to exceptions to be agreed upon between the Company and the New Notes Investors; or<br>7. Take any action that breaches other customary negative covenants to be agreed upon. |
| **Financial Covenants:** | The indenture relating to the New Notes shall not contain any financial covenants. |
| **Events of Default:** | The indenture relating to the New Notes shall contain events of default customary for securities of this type. |
| **Registration Rights and Listing** | Terms of registration rights agreement to be proposed by and agreed upon by the Committee and the Company.<br>The Company agrees to use its best efforts to cause the New Notes and the Conversion Shares to be listed on the Over the Counter Bulletin Board or another national exchange or quotation service. |

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| **Chapter 11 Case** | The transactions contemplated in this term sheet, the Master Term Sheet and the Senior Prepetition Debt Restructuring Term Sheet will be implemented through a pre-arranged Chapter 11 bankruptcy plan. The terms of such Chapter 11 bankruptcy plan and the final order approving such plan (including, if applicable, any declaration of the effectiveness) shall be in form and substance reasonably satisfactory to the New Notes Investors.<br><br>The business plan included in the disclosure statement with respect to the Plan shall be substantially the same business plan as that contained in the presentations titled "Public Lenders Presentation" and "Private Lender Supplement," each dated July 2009, which were provided by the Company to the Committee, with any change to be reasonably acceptable to the Committee. |
| **Restructuring Expenses** | The Company will pay (i) the fees and expenses of the Committee's counsel (including local counsel) and financial advisor in accordance with their respective engagement letters, and (ii) the reasonable out-of-pocket expenses of the Committee members in connection with any travel to meetings with the Company. The obligations of the Company to pay such fees and expenses shall not be subject to the bankruptcy court's approval of such fees and expenses. |
| **Choice of Law** | New York |

ACCURIDE CORPORATION

**Summary of Terms and Conditions for the Restructured Prepetition Senior Secured Credit Facilities (collectively, the "Restructured Facilities")**

*Capitalized terms used herein without definition shall have the meaning given to them in the Fourth Amended and Restated Credit Agreement, dated as of January 31, 2005 (as amended, restated, supplemented and/or otherwise modified through the date hereof, the "Existing Credit Agreement"), among Accuride Corporation, a Delaware Corporation, Accuride Canada Inc., a corporation organized under the laws of the Province of Ontario, Canada, Deutsche Bank Trust Company Americas as the administrative agent, and the other Lenders party thereto from time to time.*

*This term sheet is proffered in furtherance of settlement discussions, and is entitled to the protections of Federal Rule of Evidence 408 and any other applicable statutes or doctrines protecting the use or disclosure of confidential information and information exchanged in the context of settlement discussions. This Term Sheet is for discussion purposes only and shall not be construed as a commitment of any kind to restructure the existing Prepetition Senior Secured Credit Facilities. Any such restructuring shall, in any event, be subject to final documentation in form and substance satisfactory to the existing Lenders, which such documentation may contain terms that vary from those set forth below, and shall be conditioned upon a Chapter 11 plan of reorganization for the Debtors in form and substance satisfactory to the existing Lenders.*

The proposed terms and conditions for the Restructured Facilities assume the following in connection with the restructuring of Accuride's capital structure:

- $140.0 million of New Capital will be provided on a committed basis by the Backstop Providers (as provided for in the New Capital Term Sheet), to repay the post-petition financing facility in full, to provide liquidity to finance working capital and general corporate purposes and to repay in cash at par in full the principal balance of the Sun Last Out Term Advances (other than accrued paid-in-kind interest thereon, which will be added to and form part of the Restructured Prepetition Senior Secured Credit Facility).
- New Capital will be provided on the effective date of the Chapter 11 plan of reorganization of the Borrower and its domestic U.S. Subsidiaries, incorporating the provisions of (i) this term sheet, (ii) the separate Non-Binding Term Sheet for Proposed Restructuring (attached hereto and outlining the proposed terms of the restructuring to be completed pursuant to such plan of reorganization), (iii) the Noteholder New Capital Term Sheet (attached hereto and outlining the proposed terms of the New Capital to be provided by the New Notes Investors and the Backstop Providers as described therein), (iv) the Lender Restructuring Support Agreement among Accuride Corporation and certain Prepetition Lenders and (v) the Noteholder Restructuring Support Agreement among Accuride Corporation and certain Noteholders; each of (ii), (iii), (iv) and (v) in the form agreed by the Steering Committee (the "Plan").
- New Capital will be in the form of unsecured convertible notes, with interest to be paid-in-kind for the first three years and paid in cash thereafter to maturity, and will otherwise comply with the terms included in the New Capital Term Sheet (the "New Notes").

- $5.0 million (assuming net sale proceeds of at least $20.0 million) of proceeds from the sale of Fabco may be reinvested by the U.S. Borrower.
- Existing First Out Obligations (which include the term facility of approximately $224.6 million as of 9/25/09, and the revolving credit facilities of approximately $56.07 million as of 9/25/09 (comprised of the Canadian Revolving Credit Facility and the U.S. Revolving Credit Facility, and excluding issued LC's of approximately $18.2 million)) will continue to be classified as indebtedness on the terms set out in this Term Sheet, with no reduction to principal or change in currency.
- The defaulting lender Lehman revolving commitment of $24 million shall not be funded and shall be cancelled.

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| **Borrower:** | Accuride Corporation (the "U.S. Borrower"), Accuride Canada Inc. (the "Canadian Borrower" and together with the U.S. Borrower, the "Borrowers"). |
| **Guarantors/Guarantees:** | Identical to those under the Existing Credit Agreement and subject to the same guarantee limitations and restrictions required under U.S. and local law. |
| **Lead Arranger:** | Deutsche Bank Securities, Inc[3]. |
| **Administrative Agent:** | Deutsche Bank Trust Company Americas ("DBTCA")[4]. |
| **Steering Committee:** | DBTCA, GE Capital, Eaton Vance and Fifth Third Bank. |
| **Security:** | Maintenance of existing first priority security interests in the Loan Parties' assets and properties secured by the Collateral Documents and provision of new first priority security interests in any of the Loan Parties' assets and properties not presently secured by the Collateral Documents, subject to customary exceptions to avoid adverse tax consequences. |
| **Availability:** | No availability under Revolving Facility. No Swingline Facility. Provision of new Letter of Credit facility (to replace the existing issued letters of credit) to be discussed. |
| **Closing Date:** | The effective date of the Plan (the "Closing Date"). |
| **Maturity:** | Termination Date of both the Prepetition Revolving Facility (U.S. and Canadian) and the Prepetition Term Facility (First-Out and Last-Out) shall be extended to June 30, 2013. |
| **Interest Rate:** | Revolving Loans/First Out Term Loans: LIBOR +675 bps; LIBOR floor of 300 bps; cash pay.<br><br>Prepetition Last Out Term Loans: To be refinanced in full with a portion of the proceeds of the New Capital in accordance with the terms of the New Capital Term Sheet. |

[3] For a fee to be agreed.
[4] For a fee to be agreed.

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| **Amortization/Excess Cash Flow Sweep:** | Same as Existing Credit Agreement, subject to modifications, including 75% of ECF (less amount of cash required to remain in compliance with Minimum Liquidity covenant) to be swept annually, commencing with fiscal year 2011, first sweep date at beginning of Q1, 2012. |
| **Mandatory Prepayments:** | Each Borrower shall make mandatory prepayments corresponding with those set forth under the Existing Credit Agreement, with appropriate modifications as may be determined by the Steering Committee, including:<br>• Asset Sales: 100%, subject to a $5.0 million per year reinvestment carve-out;<br>• Issuance of Debt: 100% for any issuance, subject to a (i) $20,000,000 basket carve-out for the issuance of (A) additional senior convertible notes on terms that are identical to the New Notes or (B) other subordinated debt; provided that (x) any such additional issuance or other subordinated debt shall be unsecured, fully subordinated to the Existing Credit Facility (on terms satisfactory to the Lenders) and have a later maturity than the Existing Credit Facility and (y) interest on any such additional issuance or other subordinated debt shall be paid-in-kind following the issuance thereof until the New Notes become cash pay, and thereafter may also become cash pay; and (ii) $5,000,000 general basket carve-out for new debt issuances (the "Subordinated Debt Basket"); provided that the obligation to apply the proceeds of any issuance of debt shall not apply to the proceeds of the New Notes or to paid-in-kind interest on the New Notes; and<br>• Issuance of Equity: Existing leverage-based thresholds to be eliminated, 100% for any issuance. |
| **Limitation on Indebtedness:** | Based on the exceptions/baskets set forth in the Existing Credit Agreement, with appropriate modifications acceptable to the Steering Committee including:<br>• Prohibition on junior/subordinated indebtedness, subject to carve-out for Subordinated Debt Basket;<br>• Prohibition on indebtedness in connection with any merger or acquisition that is a permitted investment;<br>• Purchase money debt and Capital Lease basket of $5,000,000; and<br>• Up to $5,000,000 general basket carve-out for new debt |

issuances.

**Limitation on Liens:** Based on the exceptions/baskets as set forth in the Existing Credit Agreement, with appropriate modifications acceptable to the Steering Committee including:

- $5,000,000 general basket.

**Financial Covenants:** From and after the Closing Date:

(i) Minimum Liquidity (calculated without giving effect to the Commitments of any Defaulting Lender) of $25 million to be tested monthly on the last business day of each month.

(ii) Minimum EBITDA (LTM) to be tested quarterly at covenant levels with headroom to the base case plan presented to the Lenders in July 2009, as set forth below. Covenant holiday for four fiscal quarters after the quarter in which the effective date of the Plan occurs. Assuming effective date occurs in April 2010, covenant holiday would apply from fiscal quarter ending September 30, 2010 through fiscal quarter ending June 30, 2011.[5] From and after the covenant holiday through and including fiscal quarter ending December 31, 2011, covenant levels to be as follows (to the extent not covered by the covenant holiday):

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| Q2 2011 | $67.2 million |
| Q3 2011 | $76.3 million |
| Q4 2011 | $83.8 million |
| 2012 | $120.6 million |
| 2013 | $143.9 million |

(iii) Equity cures (in form of new common stock or subordinated indebtedness up to basket limit referred to under Mandatory Prepayments) of up to $15 million in aggregate to be permitted to cure any EBITDA covenant shortfalls. Limitations and conditions for exercise of equity cure to be agreed.

**Canadian Operations** The U.S. Borrower shall maintain current business operations in Canada and obtain an appropriate waiver/forbearance under the Existing Credit Agreement with respect to Accuride Canada Inc., which shall be reasonably satisfactory to the Instructing Group.

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[5] If exit of Chapter 11 occurs either earlier or later than April 2010, covenant holiday period to be adjusted accordingly.

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| **Other provisions** | Additional modifications may be required relating to, among others, (i) events of default, (ii) limitations on asset sales, JVs and mergers and acquisitions, (iii) limitations on investments, (iv) limitations on capital expenditure, (v) limitations on restricted payments, (vi) reporting requirements and (vii) voting and to reflect position agreed on application of Fabco sale proceeds and terms and conditions of New Capital. Releases and exculpations to be reasonably acceptable to the Debtors and the Steering Committee. |

*The foregoing is intended to summarize certain terms of the Restructured Facilities. It is not intended to be a definitive list of all of the requirements of the Lenders in connection with the Restructured Facilities.*

**EXHIBIT B**

**INTERIM DIP ORDER AND DIP AGREEMENT**

[TO BE PROVIDED UPON REQUEST]

**Exhibit C**
**New Indenture**

**[TO BE FILED PRIOR TO THE DISCLOSURE STATEMENT HEARING]**

# Exhibit D

## New Notes Term Sheet

**[TO BE FILED PRIOR TO THE DISCLOSURE STATEMENT HEARING]**

**Exhibit E**
**New Warrants**

**[TO BE FILED PRIOR TO THE DISCLOSURE STATEMENT HEARING]**

**Exhibit F**
**Registration Rights Agreement**

**[TO BE FILED PRIOR TO THE DISCLOSURE STATEMENT HEARING]**

**Exhibit G**
**Restructured Credit Facility Agreement**

**[TO BE FILED PRIOR TO THE DISCLOSURE STATEMENT HEARING]**

# Exhibit H
## Subscription Form and Agreement

**[FOR USE BY ACCREDITED INVESTORS ONLY]**

**ACCURIDE CORPORATION**

**SUBSCRIPTION FORM FOR**
**RIGHTS OFFERING IN CONNECTION WITH**
**THE DEBTORS' PLAN OF REORGANIZATION**
**UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

Terms used and not defined herein shall have the meanings assigned to them in the Plan (as defined below).

To Eligible Subscribers:

On [_____], 2009, Accuride Corporation, a Delaware corporation ("Accuride"), and its domestic subsidiaries (collectively, the "Debtors") filed the Plan of Reorganization under chapter 11 of title 11 of the Bankruptcy Code (the "Plan") and the Disclosure Statement with respect to the Plan (the "Disclosure Statement"). Pursuant to the Plan, each holder of Subordinated Notes Claims that is an "accredited investor" within the meaning of Rule 501(a) under the Securities Act of 1933, as amended (the "Securities Act"), as of the Rights Offering Record Date (each an "Eligible Subscriber"), has the right to subscribe for Accuride's 7.5% Senior Convertible Notes due 2020 (the "Rights Offering Notes") based on such Eligible Subscriber's Maximum Subordinated Note Claim Amount (as defined in Item 1, below). *See* Article [V] of the Plan and Article [I] of the Disclosure Statement for a complete description of the Rights Offering.

**If all of the steps outlined below are not completed by the Subscription Deadline, your right to participate in the Rights Offering will terminate. Pursuant to the Convertible Notes Commitment Agreement, dated as of October 7, 2009 (the "Backstop Commitment Agreement"), by and among Accuride and the Investors named therein (the "Backstop Investors"), the Backstop Investors may be required to acquire any and all Rights Offering Notes offered in the Rights Offering but not subscribed for by Eligible Subscribers after the Subscription Deadline.**

**EXPIRATION DATE:**

The expiration date for the exercise of rights is [ ], 2010 at 4:00 p.m., Eastern Time (the "Subscription Deadline"). Please leave sufficient time for your Subscription Form to reach the Subscription Agent and be processed.

**SUBSCRIPTION INSTRUCTIONS**:

To subscribe for Rights Offering Notes pursuant to the Rights Offering, you must take all of the following steps (ALL steps must be completed by the Subscription Deadline):

1. **Complete** Item 1, Item 2 and Item 3 of the Subscription Form, indicating the principal amount of Rights Offering Notes for which you wish to subscribe in connection with your exercise of your rights to participate in the Rights Offering.

2. **Provide** payment information in accordance with Item 4 of the attached Subscription Form. (Be sure to include the name, email address, and telephone number for the person to receive the Notice to Provide Payment in Item 5).

3. **Read and Complete** the certification in Item 5 of the attached Subscription Form.

4. **Read and Complete** the attached Subscription Agreement.

**PAYMENT INSTRUCTIONS**:

Please note that payment for any Subscription is **not** being requested at this time. A notice to provide payment is expected to be sent to subscribing holders after the Confirmation Date and prior to the Effective Date (the "Notice to Provide Payment"). Cash payment by wire transfer of immediately available funds to the Subscription Agent will be required within three business days after transmission by Accuride of the Notice to Provide Payment, in accordance with the instructions provided herein and in the Notice to Provide Payment.

The execution and delivery of this Subscription Form (the "Subscription Form") is an agreement to purchase the Subscribed Notes at the Individual Subscription Total set forth in Item 3 of this Subscription Form.

Please see additional information regarding payment procedures in Item 4, below.

**QUESTIONS**:

If you have any questions about the Subscription Form or the subscription or payment procedures described herein, please contact the Subscription Agent, [*Name and Contact Person*], Telephone: [(___) _____], E-mail: [_____].

**The Subscription Agent must receive your Subscription Form by [_____], 2010 at 4:00 p.m. Eastern Time, or the exercise will be void and your rights will terminate and be cancelled.**

**Please consult the Plan [Docket No, _____] and accompanying Disclosure Statement [Docket No, _____] for additional information about the Rights Offering (available free of charge at [_____])**

**Subscription Rights.** Pursuant to the Plan, each Eligible Subscriber is entitled to participate in the Rights Offering for up to such holder's Pro Rata Share of the Rights Offering Notes (the total aggregate principal amount of Rights Offering Notes being $140,000,000). To subscribe, fill out Items 1, 2 and 3 below, read Item 4 below, read and complete Item 5 below, and read and complete the attached Subscription Agreement. *All other steps (as outlined above) must also be completed by the Subscription Deadline.*

**Item 1. Amount of Allowed Subordinated Notes Claims.** I certify that I am an Eligible Subscriber or the authorized signatory of an Eligible Subscriber and that I held Allowed Subordinated Notes Claims in the following principal amount as of the Rights Offering Record Date.

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| $_____ (for each holder, its "Maximum Subordinated Note Claim Amount") |

**Item 2. Calculation of Maximum Principal Amount of Subscribed Notes.** To calculate the maximum principal amount of Subscribed Notes for which you may subscribe, complete the following:

| Maximum Subordinated Note Claim Amount from Item 1 | | |
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| _____ | x $140,000,000 | = _____ |
| $[ ][1] | | |

The maximum principal amount of Subscribed Notes derived from the calculation above shall be rounded up, if fraction of one-half or greater, or rounded down, if fraction of less than one-half, to the nearest whole number.

**Item 3. Subscription Amount and Individual Subscription Total.**

By filling in the following blanks, you are agreeing irrevocably to purchase the principal amount of Subscribed Notes specified below (specify a principal amount of Subscribed Notes, in whole number, not less than [$1,000/$2,000][2] and not greater than the figure in Item 2), at a purchase price of 100% of the face amount of such Subscribed Notes, on the terms and subject to the conditions set forth in the Plan.

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| Individual Subscription Total | $ _____ |

[1] To be filled in with Total Allowed Subordinated Note Claim Amount (for all holders).

[2] Discuss minimum denomination of notes and consequences of such minimum denomination on subscriptions.

**Item 4. Procedure for Payment for Subscription.**

The Individual Subscription Total indicated in Item 3 above must be sent by wire transfer in immediately available funds so that it is actually received by the Subscription Agent on or before the deadline that will be indicated on the Notice to Provide Payment (the "Payment Deadline"). The Payment Deadline will be within three business days after transmission by Accuride of a Notice to Provide Payment. The Notice to Provide Payment is expected to be delivered to subscribing holders following the Confirmation Date and prior to the Effective Date. The wire instructions for the Subscription Agent are included for convenience below, and will also be included in the Notice to Provide Payment.

Wire Instructions:

**Account Name:**
**Account #:**
**FFC:**
**ABA/Routing #:**
**Bank Name:**
**Bank Address:**

If, prior to the Subscription Deadline, all of the steps outlined in this Subscription Form are not completed, you will be deemed to have relinquished and waived your right to participate in the Rights Offering (other than in the case of the Backstop Investors, each of whom has agreed, subject to the terms and conditions set forth in the Commitment Agreement, to purchase, severally and not jointly, at the Subscription Price, its portion (as specified in the Commitment Agreement and pursuant to the final order of the Bankruptcy Court approving the Commitment Agreement [Docket No._____]) of any and all Rights Offering Notes offered in the Rights Offering but not subscribed for by Eligible Subscribers).

Accuride may give notice of a defect or irregularity to any Eligible Subscriber in connection with any purported subscription by such Eligible Subscriber and may permit such defect or irregularity to be cured within such time as it may determine in good faith to be appropriate; provided, however, that neither Accuride nor the Subscription Agent will have any obligation to provide such notice, nor will they incur any liability for failure to give notification.

**Item 5. Subscription Certifications.** I certify that (i) I am the Eligible Subscriber, or the authorized signatory of the Eligible Subscriber, (ii) I am, or such Eligible Subscriber is, entitled to participate in the Rights Offering and (iii) I am, or such Eligible Subscriber is, an "accredited investor" as the term is defined in Rule 501(a) of Regulation D under the Securities Act.

Date: _____

Subscriber Full Legal Account Name
(holding Allowed Subordinated Notes Claims):

Signature: _____

Name of Signatory:_____

Title: _____

Address: _____

Address: _____

City: _____ State: _____

Postal Code: _____

Country (if other than United States) _____

Taxpayer Identification Number: _____

Or if Non-U.S. holder, check here and attach W-8:
☐ Non-U.S. holder

Contact Name: _____

Contact Telephone Number:_____

Contact Email Address: _____

All requested information must be fully completed. A contact name, telephone number, and email address MUST be included. The contact will be sent the Notice to Provide Payment, and may be contacted if there are any questions in connection with the registration information.

**PLEASE NOTE: NO SUBSCRIPTION WILL BE VALID UNLESS ALL REQUIRED STEPS ARE TAKEN TO PROCESS YOUR SUBSCRIPTION ON OR BEFORE THE SUBSCRIPTION DEADLINE AND PAYMENT OF YOUR INDIVIDUAL SUBSCRIPTION TOTAL IS RECEIVED BY THE SUBSCRIPTION AGENT ON OR BEFORE THE PAYMENT DEADLINE.**

**[FOR USE BY ACCREDITED INVESTORS ONLY]**

**SUBSCRIPTION AGREEMENT**

THIS SUBSCRIPTION AGREEMENT (this "Agreement") is made as of [____], 2010 by and among Accuride Corporation, a Delaware corporation (the "Issuer") and the undersigned subscribers (the "Subscribers"). Capitalized terms used but not otherwise defined herein shall have the meaning set forth in the Plan (as defined below).

WHEREAS, the Issuer, as debtor and debtor-in-possession, filed a Plan of Reorganization on [ ], 2009 (as may be amended from time to time, the "Plan") under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code," and the rules promulgated thereunder, the "Bankruptcy Rules") and a Disclosure Statement (as may be amended from time to time, the "Disclosure Statement") with respect to the Plan.

WHEREAS, the Subscribers are Accredited Investors (as defined below) eligible to participate in the Rights Offering to purchase the Issuer's 7.5% Senior Convertible Notes due 2020 (the "Rights Offering Notes"), to be issued pursuant to an Indenture (the "Indenture"), dated [ ], between the Issuer, the guarantors party thereto (the "Guarantors, "and together with the Issuer, the "Debtors"), and [ ] as Trustee (the "Trustee"), in an amount based on its Allowed Subordinated Notes Claims as of the Rights Offering Record Date (the "Maximum Subordinated Note Claim Amount") and otherwise in accordance with and subject to the Plan, which amount is set forth in Item 1 of the Subscription Form attached hereto and incorporated by reference herein (the "Subscription Form").

WHEREAS, pursuant to the Plan and the Rights Offering, each Subscriber has elected to subscribe for its Individual Subscription Total, as set forth in Item 3 of the Subscription Form, which at Closing (as defined below) will determine the number of Rights Offering Notes purchased by such Subscriber (the "Subscription," and such Rights Offering Notes, the "Subscribed Notes").

WHEREAS, pursuant to the Convertible Notes Commitment Agreement, dated October 7, 2009 (the "Backstop Commitment Agreement"), by and among the Issuer, Blackrock Financial Management, Inc., Brigade Capital Management, LLC, Sankaty Advisors, LLC and Tinicum Lantern II L.L.C. (each, a "Backstop Investor"), each Backstop Investor has agreed, severally and not jointly, subject to the terms and conditions set forth in the Backstop Commitment Agreement, to purchase, at the Subscription Price, any and all Rights Offering Notes offered in the Rights Offering but not subscribed for by Subscribers in the proportion of such Backstop Investor's Backstop Commitment set forth opposite such Backstop Investor's name in Schedule I attached to the Backstop Commitment Agreement.

NOW, THEREFORE, in consideration of the mutual promises made herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and irrevocably bound, agree as follows:

Section 1. Purchase and Sale; Closing.

1A Purchase and Sale. On the terms and subject to the conditions set forth in this Agreement, the Subscription Form and the Plan, at Closing, the Issuer will sell to each Subscriber its Subscribed Notes for each Subscriber's respective Individual Subscription Total, and each Subscriber will, severally and not jointly, purchase its Subscribed Notes for its Individual Subscription Total from the Issuer in cash pursuant to the instructions set forth in the Subscription Form.

1B Closing. Subject to the terms and conditions set forth in this Agreement, the Subscription Form and the Plan, the closing of the Subscription (the "Closing") will take place, in accordance with the Plan, on the Effective Date.

1C Registration Rights Agreement. At Closing, each Subscriber may, in its sole discretion, elect to become party to the Registration Rights Agreement in substantially the form attached as Exhibit [ ] to the Plan (the "Registration Rights Agreement").

Section 2. Representations and Warranties of the Subscribers. As a material inducement to the Issuer to enter into this Agreement and to consummate the Subscription pursuant to the terms of this Agreement, each Subscriber, severally and not jointly, represents and warrants to the Issuer that:

2A Organization. Such Subscriber has been duly incorporated or formed, as the case may be, and is validly existing and in good standing under the laws of its jurisdiction of organization.

2B Corporate Power and Authority. Such Subscriber has the requisite corporate power and authority to enter into, execute and deliver this Agreement and to perform its obligations hereunder and has taken all necessary action required for the due authorization, execution, delivery and performance by it of this Agreement.

2C Due Execution; Enforceability. This Agreement has been duly and validly executed and delivered by such Subscriber and constitutes the valid and binding obligation of such Subscriber, enforceable against such Subscriber in accordance with its terms, subject to bankruptcy, reorganization, insolvency, moratorium and other laws affecting the enforcement of creditors' rights generally from time to time in effect and subject to general equitable principles.

2D Transfer Restrictions. Such Subscriber acknowledges that the Subscribed Notes to be purchased by it pursuant to the terms of this Agreement will be issued in reliance upon exemptions contained in the Securities Act of 1933, as amended (the "Securities Act") or interpretations thereof and applicable state securities laws and have not been registered under the Securities Act, and that the Issuer shall not be required to effect any registration of the Subscribed Notes or the common stock issuable upon conversion of the Subscribed Notes (the "Converted Common Stock") under the Securities Act or any state securities law, except as contemplated in the Registration Rights Agreement.

2E Acquisition for Investment. The Subscribed Notes and the Converted Common Stock are being acquired under this Agreement by the Subscriber in good faith solely for the Subscriber's own account, for investment and not with a view toward resale or other distribution within the meaning of the Securities Act. Such Subscriber will not, directly or indirectly, offer, transfer, sell, pledge, hypothecate or otherwise dispose of any of the Subscribed Notes or the Converted Common Stock except pursuant to a registration statement or in a transaction exempt from or not subject to registration under the Securities Act and any applicable state securities laws.

2F Sophistication, Investment Intent and Accredited Investor. Such Subscriber is an "accredited investor" within the meaning of Rule 501(a) under the Securities Act, with such knowledge and experience in financial and business matters as are necessary in order to evaluate the merits and risks of an investment in the Subscribed Notes and the Converted Common Stock and such Subscriber has the ability to bear the economic risks of its prospective investment in the Subscribed Notes and the Converted Common Stock and can afford the complete loss of such investment. Such Subscriber is acquiring the Subscribed Notes and the Converted Common Stock in good faith solely for its own account or accounts managed by it, for investment and not with a view toward distribution within the meaning of the Securities Act.

2G Adequate Information. Such Subscriber acknowledges that it has, independently, made its own analysis and decision to enter into this Agreement based upon the Disclosure Statement and other documents filed by the Debtors containing "adequate information," as defined in Section 1125 of the Bankruptcy Code.

2H Sufficiency of Funds. Such Subscriber has, or is the investment advisor or investment manager for entities that have, and on the Effective Date will have or is the investment advisor or investment manager for entities that will have, sufficient immediately available funds to make and complete the payment of its Individual Subscription Total for the Subscribed Notes and the availability of such funds is not subject to the consent, approval or authorization of any third party.

2I Additional Information. Such Subscriber acknowledges that it has had an opportunity to ask questions and receive answers concerning the Issuer, to obtain additional information that it has requested to verify the accuracy of the information contained herein and to have its independent counsel review such additional information and this Agreement. The Subscriber acknowledges that it is not in any way relying on the fact that any other Person has decided to invest in the Issuer's Rights Offering Notes.

2J Tax Advisors. Such Subscriber acknowledges and agrees that it has relied upon the advice of its own tax advisors and no party to this Agreement has any liability to any other party for the tax consequences of the Subscription.

2K Consents and Approvals. No consent, approval, order, authorization, registration or qualification of or with any court or governmental agency or body having jurisdiction over such Subscriber or such Subscriber's affiliates, is required in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, except for any consent, approval, order or authorization required under the Bankruptcy Code.

2L No Conflicts. The execution, delivery, and performance by such Subscriber of this Agreement do not and shall not (i) violate any provision of its certificate of incorporation or by-laws (or other organizational documents) or any law, rule, or regulation applicable to it or (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any material contractual obligation to which it is a party or under its certificate of incorporation or by-laws (or other organizational documents).

By execution hereof, each Subscriber acknowledges that the Issuer is relying upon the accuracy and completeness of the representations of each Subscriber contained herein in complying with its obligations under applicable securities laws.

Section 3. Representations and Warranties of the Debtors. As a material inducement to the Subscribers to enter into this Agreement and acquire the Subscribed Notes hereunder, the Issuer hereby represents and warrants to the Subscribers that:

3A Incorporation and Qualification. The Issuer and each of its subsidiaries has been duly organized and is validly existing as a corporation or other form of entity, where applicable, in good standing under the laws of their respective jurisdictions of organization, with the requisite power and authority to own its properties and conduct its business as currently conducted, subject, as applicable, to the restrictions that result from any such entity's status as a debtor-in-possession under chapter 11 of the Bankruptcy Code. The Issuer and each of its subsidiaries has been duly qualified as a foreign corporation or other form of entity for the transaction of business and, where applicable, is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts

business so as to require such qualification, except to the extent the failure to be so qualified or, where applicable, be in good standing would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, results of operations, property or financial condition of the Issuer and its subsidiaries taken as a whole, or on the ability of the Issuer, subject to the approvals and other authorizations set forth in Section 3D, to consummate the transactions contemplated by this Agreement or the Plan (a "Material Adverse Effect"); provided, however, that Material Adverse Effect shall specifically exclude any change, effect, event, development, circumstance or state of facts (i) that has occurred in Debtors' bankruptcy case prior to the date of this Agreement or that has contributed to or given rise to the filing of Debtors' bankruptcy case, (ii) arising from general worldwide economic, industry, political or financial market conditions, including acts of war, acts of terrorism or natural disasters, so long as such change, effect, event, development, circumstance or state of facts does not disproportionately effect the Issuer in any material respect as compared to similarly situated companies in the industries in which the Issuer operates, (iii) arising from any change in applicable law or GAAP, or (iv) arising from compliance with the terms of this Agreement, the Plan or the Rights Offering.

3B Corporate Power and Authority.

(i) The Issuer has the requisite corporate power and authority to enter into, execute and deliver this Agreement and to perform its obligations hereunder, including the issuance of the Subscribed Notes. The Issuer has taken all necessary corporate action required for the due authorization, execution, delivery and performance by it of this Agreement, including the issuance of the Subscribed Notes, other than the entry of the Confirmation Order (as defined below) and the expiration, or waiver by the Bankruptcy Court, of the 10-day period set forth in Bankruptcy Rule 3020(e) and the need to amend its certificate of incorporation effective as of the Effective Date.

3C Execution and Delivery; Enforceability.

(i) This Agreement has been duly and validly executed and delivered by Issuer, and constitutes the valid and binding obligations of Issuer, enforceable against Issuer in accordance with its terms, subject to bankruptcy, reorganization, insolvency, moratorium and other laws affecting the enforcement of creditors' rights generally from time to time in effect and subject to general equitable principles.

(ii) On the Effective Date, the Indenture shall have been duly authorized by Issuer and the Guarantors and, when executed and delivered by Issuer, the Guarantors and the Trustee, will be a valid and binding agreement of Issuer and the Guarantors, enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and general principles of equity.

(iii) On the Effective Date, the Subscribed Notes shall have been duly authorized by Issuer and, when executed and delivered by Issuer and duly authenticated in accordance with the terms of the Indenture and delivered to and paid for by the Subscriber in accordance with the terms hereof, will constitute valid and binding obligations of Issuer, enforceable in accordance with their terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and general principles of equity, and will be entitled to the benefits of the Indenture; the maximum number of shares of Converted Common Stock shall have been duly authorized and validly reserved for issuance upon conversion of the Subscribed Notes, and, upon conversion of the Subscribed Notes in accordance with their terms and the terms of the Indenture, such Converted Common Stock will be issued free of any right of pledge, usufruct or other encumbrance, and shall be sufficient in number to meet the current conversion requirements

(assuming all conditions to such conversion have been satisfied); such Converted Common Stock, when so issued upon such conversion in accordance with the terms of the Subscribed Notes and of the Indenture, will be duly and validly issued and fully paid and non-assessable; and the certificates for such shares of Converted Common Stock will be in due and proper form; and

(iv) Upon the entry of the Confirmation Order and the expiration, or waiver by the Bankruptcy Court, of the 10-day period set forth in Bankruptcy Rule 3020(e), the Plan will constitute the valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms, subject to bankruptcy, reorganization, insolvency, moratorium and other laws affecting the enforcement of creditors' rights generally from time to time in effect and subject to general equitable principles.

3D Consents and Approvals. No consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body having jurisdiction over Issuer or any of its subsidiaries or any of their respective properties or by any third party pursuant to any contract or otherwise is required for the issuance, sale and delivery of the Subscribed Notes to Subscriber hereunder and the consummation of the Rights Offering by Issuer and the execution and delivery by the Issuer of this Agreement or the Plan and performance of and compliance by Issuer with all of the provisions hereof and thereof and the consummation of the transactions contemplated herein and therein, except for (i) the entry of the Confirmation Order and the expiration, or waiver by the Bankruptcy Court, of the 10-day period set forth in Bankruptcy Rules 6004(h) and 3020(e), as applicable; (ii) such consents, approvals, authorizations, registrations or qualifications as may be reasonably required under state securities or "blue sky" laws in connection with the purchase of Subscribed Notes by Subscriber or (iii) such consents, approvals, authorizations, registrations or qualifications, the absence of which would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

3E No Conflict. Subject to the entry of the Confirmation Orders and the expiration, or waiver by the Bankruptcy Court, of the 10-day period set forth in Bankruptcy Rules 6004(h) and 3020(e), as applicable, the issuance, sale and delivery of the Subscribed Notes and the consummation of the Rights Offering by the Issuer and the execution and delivery (or, with respect to the Plan, the filing) by Issuer of this Agreement and the Plan and compliance by Issuer with all of the provisions hereof and thereof and the consummation of the transactions contemplated herein and therein (including compliance by each Subscriber with its obligations hereunder and thereunder) (i) will not conflict with, or result in a breach or violation of, any of the terms or provisions of, or constitute a default under, or result in the acceleration of, or the creation of any lien under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which Issuer or any of its subsidiaries is a party or by which Issuer or any of its subsidiaries is bound or to which any of the property or assets of Issuer or any of its subsidiaries is subject, (ii) will not result in any violation of the provisions of the certificate of incorporation or bylaws of Issuer and any other Debtor and (iii) will not result in any violation of, or any termination or material impairment of any rights under, any statute or any license, authorization, injunction, judgment, order, decree, rule or regulation of any court or governmental agency or body having jurisdiction over Issuer or any of its subsidiaries or any of their respective properties, except in any such case described in subclause (i) or (iii) as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 4. Conditions.

4A Conditions to the Obligations of Each Party. The respective obligations of the Subscribers and the Issuer to effect the purchase of the Subscribed Notes pursuant to this Agreement on the Effective Date are subject to the following conditions:

(i) Confirmation Order. An order of the Bankruptcy Court confirming the Plan (the "Confirmation Order") shall have been entered and no stay of such order shall be in effect.

(ii) No Restraint. No judgment, injunction, decree or other legal restraint shall prohibit the consummation of the Plan, the Rights Offering or the transactions contemplated by this Agreement.

(iii) No Legal Impediment to Issuance. No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued in each by any federal, state or foreign governmental or regulatory authority that, as of the Effective Date, prohibits the issuance or sale of the Subscribed Notes pursuant to this Agreement; and no injunction or order of any federal, state or foreign court shall have been issued that, as of the Effective Date, prohibits the issuance or sale of the Subscribed Notes pursuant to the Agreement.

(iv) Consents. All other material governmental and third party notifications, filings, consents, waivers and approvals required for the consummation of the transactions contemplated by this Agreement and the Plan shall have been made or received.

4B Conditions to Subscriber's Obligations. The obligation of each Subscriber to consummate the Subscription at Closing is subject to the satisfaction as of Closing of the following conditions:

(i) Representations and Warranties. The representations and warranties of Issuer set forth in this Agreement (disregarding all qualifications and exceptions contained therein regarding materiality or Material Adverse Effect) shall be true and correct on the date hereof and on the Effective Date as if made on such date, except, where the failure of such representations and warranties to be so true and correct, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. Issuer shall have complied in all material respects with all of its material obligations hereunder.

4C Conditions to the Issuer's Obligations. The obligations of the Issuer to consummate the Subscription at Closing are subject to the satisfaction as of Closing of the following conditions:

(i) Representations, Warranties and Covenants. The representations and warranties of the Subscribers set forth in this Agreement shall be true and correct in all material respects on the date hereof and on the Effective Date as if made on such date. The Subscriber shall have complied in all material respects with all of their respective material obligations hereunder.

Section 5. Miscellaneous.

5A Remedies. Any Person (including the Issuer) having any rights under any provision of this Agreement will be entitled to enforce such rights specifically, to recover damages by reason of any breach of any provision of this Agreement, and to exercise all other rights granted by law.

5B Amendments and Waivers. Except as otherwise provided herein, any provision hereof may be amended or waived generally and the Issuer may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Issuer has

obtained the prior written consent of Subscribers holding a majority in amount of Individual Subscription Totals held by all Subscribers in the aggregate.

5C Survival. The representations and warranties made in this Agreement will survive the execution and delivery of this Agreement for the length of the applicable statute of limitations with respect thereto.

5D Successors and Assigns. Except as otherwise expressly provided herein, all covenants and agreements contained in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and permitted assigns of the parties hereto, whether so expressed or not.

5E Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

5F Counterparts. This Agreement may be executed simultaneously in two or more counterparts (including by facsimile), any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same Agreement. This Agreement may be executed by facsimile signature or by .pdf or similar attachment to electronic mail.

5G Descriptive Headings; Interpretation; No Strict Construction. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. The use of the words "include" or "including" in this Agreement shall be by way of example rather than by limitation. The use of the words "or," "either" or "any" shall not be exclusive.

5H Governing Law. All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement and the exhibits and schedules hereto shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice of law or conflict of law roles or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

5I Entire Agreement. This Agreement, the Subscription Form, the Plan and the Backstop Commitment Agreement, contain the entire agreement by and between the Issuer and the Subscribers with respect to the transactions contemplated by this Agreement and supersede all prior agreements and representations, written or oral, with respect thereto. To the extent there is an inconsistency between the provisions in this Agreement and the Subscription Form, the provisions in this Agreement shall control. To the extent there is an inconsistency between the provisions in this Agreement and the Backstop Commitment Agreement or the Plan, the Backstop Commitment Agreement or the Plan, as the case may be, shall control.

5J Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by any Subscriber without the prior written consent of the Issuer.

* * * * *

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Accuride Corporation

By:_____
Name:_____
Its:_____

To be completed by Subscriber:

_____
[INSERT NAME OF SUBSCRIBER]

By:_____
[Signature]

Name:_____
[Print Name]

Its:_____
[Title]

# EXHIBIT B

## Organizational Chart of the Debtors

# EXHIBIT A

## Corporate Organizational Chart

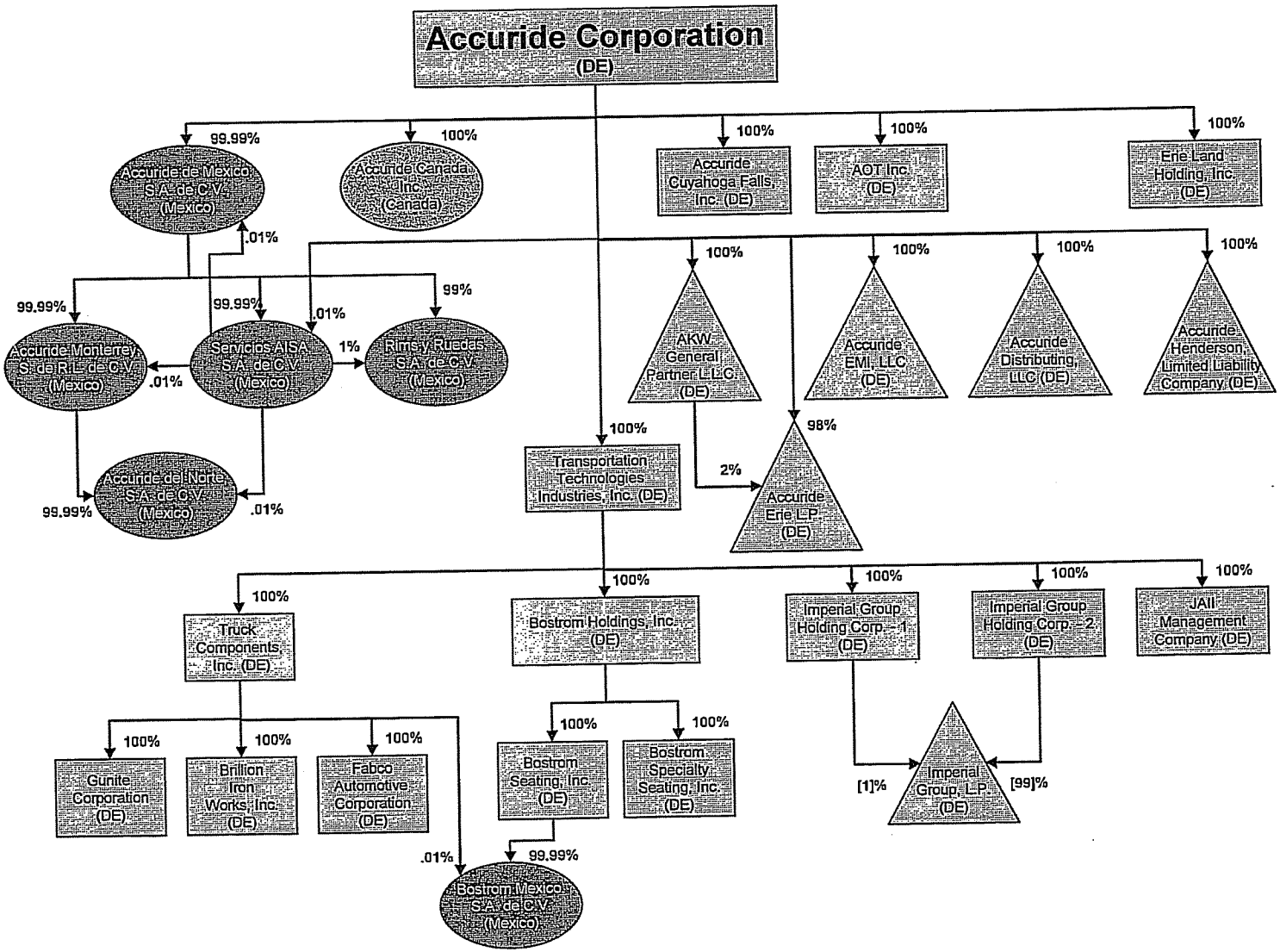

**Exhibit C**
**Disclosure Statement Order**

**[TO BE INSERTED UPON ENTRY OF THE ORDER]**

# Exhibit D
# The Reorganized Debtors' Financial Projections

# ACCURIDE CORPORATION

## Income Statement

| ($ in millions) | Projected Fiscal Years Ending December 31, | | | | |
|---|---|---|---|---|---|
| | 2009 | 2010 | 2011 | 2012 | 2013 |
| Net Sales | $ 574.7 | $ 768.8 | $ 1,022.7 | $ 1,246.9 | $ 1,456.1 |
| COGS | 577.0 | 683.7 | 865.6 | 1,042.2 | 1,213.8 |
| **Gross Profit** | $ (2.3) | $ 85.0 | $ 157.1 | $ 204.7 | $ 242.3 |
| SG&A | 68.6 | 64.5 | 52.7 | 54.5 | 56.3 |
| **Operating Income** | $ (70.8) | $ 20.5 | $ 104.4 | $ 150.2 | $ 186.0 |
| Depreciation & Amortization | 50.8 | 47.2 | 47.5 | 50.3 | 53.4 |
| **EBITDA** | $ (20.1) | $ 67.7 | $ 151.9 | $ 200.5 | $ 239.4 |
| Non-recurring/Other items | 41.6 | 11.8 | 0.4 | 0.4 | 0.4 |
| **Adjusted EBITDA** | $ 21.5 | $ 79.6 | $ 152.3 | $ 200.9 | $ 239.8 |
| Other Expenses / (Income) | (8.5) | - | - | - | - |
| Net Interest Expense | 69.0 | 46.8 | 41.7 | 43.8 | 45.5 |
| **Pre-tax Income** | $ (131.4) | $ (26.3) | $ 62.7 | $ 106.4 | $ 140.6 |
| Tax | (11.5) | (9.5) | 22.6 | 38.3 | 50.6 |
| **Net Income** | $ (119.9) | $ (16.8) | $ 40.1 | $ 68.1 | $ 90.0 |

# Exhibit E
# The Reorganized Debtors' Valuation Analysis

## REORGANIZATION VALUATION ANALYSIS

### A. OVERVIEW

The Debtors have been advised by Perella Weinberg Partners LP ("**PWP**") regarding estimates of the reorganization value of the Reorganized Debtors on a going concern basis (the "Valuation"). PWP has determined the estimated range of reorganization enterprise value of the Reorganized Debtors to be approximately $491 million to $575 million (with a mid-point estimate of approximately $533 million) as of an assumed Effective Date of March 31, 2010. Adjusting for reorganized net debt of $374 million (prior to L/Cs and treating the New Notes as debt) implies an equity value range of $118 million to $201 million (with a mid-point estimate of approximately $159 million).

**The estimated Valuation range as of an assumed Effective Date on March 31, 2010, reflects PWP's analysis of business and asset information provided by the Debtors' management to PWP. Changes in facts and circumstances between the date hereof and the Effective Date, including, without limitation, a delay in the Effective Date, may result in changes to the Valuation. PWP will consider any such changes in facts and circumstances and may modify its estimate of the estimated Valuation range prior to the Effective Date.**

The foregoing Valuation range estimates are based on a number of assumptions, including a successful reorganization of the Debtors' business and finances in a timely manner, the implementation of the Reorganized Debtors' Business Plan (the "Business Plan"), achievement of the forecasts reflected in the Business Plan, access to adequate exit financing (including proceeds from the Rights Offering), continuity of a qualified management team, market conditions through the period covered by the Financial Projections, and the Plan becoming effective in accordance with the estimates and other assumptions discussed below.

With respect to the Financial Projections, which were prepared by the management of the Debtors, and are included as Exhibit D to this Disclosure Statement, PWP has assumed that the Financial Projections have been reasonably prepared in good faith and on a basis reflecting the best currently available estimates and judgments of the Debtors' management as to the future operating and financial performance of the Reorganized Debtors. PWP's estimate of a range of reorganization values assumes that operating results projected by the Debtors will be achieved by the Reorganized Debtors in all material respects, including revenue growth and improvements in operating margins, earnings and cash flow. Certain of the results forecast by the management of the Debtors are materially better than the recent historical results of operations of the Debtors. The estimate of reorganization values is dependent upon the Reorganized Debtors performing at the levels set forth in the Financial Projections. If the business performs at levels above or below those set forth in the Financial Projections, such performance may have a material impact on the Financial Projections and on the estimated range of values derived therefrom.

**In estimating the Valuation range PWP: (1) reviewed certain historical financial information of the Debtors for recent years and interim periods; (2) reviewed certain internal financial and operating data of the Debtors, including the Financial Projections, which were prepared and provided to PWP by the Debtors' management and which relate to the Debtors' business and their prospects; (3) met with certain members of management of the Debtors to discuss the Debtors' operations and future prospects; (4) reviewed publicly available financial data and considered the market value of public companies that PWP deemed generally comparable to the operating businesses of the Debtors; (5) considered certain economic and industry information relevant to the operating businesses; and (6) conducted such other studies, analyses, inquiries, and investigations as it deemed appropriate. PWP assumed and relied on the accuracy and completeness of all financial and other information furnished to it by the Debtors, as well as publicly available information.**

**In addition, PWP did not independently verify management's Financial Projections in connection with such estimates of the reorganization value of the Reorganized Debtors, and no independent valuations or appraisals of the Debtors were sought or obtained in connection herewith.**

**Estimates of the reorganization value of the Reorganized Debtors do not purport to be appraisals or necessarily reflect the values that may be realized if assets are sold as a going concern, in liquidation, or otherwise.**

**In the case of the Reorganized Debtors, the estimates of the reorganization value prepared by PWP represent the hypothetical reorganization value of the Reorganized Debtors. Such estimates were developed for purposes of the formulation and negotiation of the Plan and the analysis of implied relative recoveries to creditors thereunder. Such estimates reflect computations of the range of the estimated reorganization value of the Reorganized Debtors through the application of various valuation techniques and do not purport to reflect or constitute appraisals, liquidation values or estimates of the actual market value that may be realized through the sale of any Securities issued pursuant to the Plan, which may be significantly different than the amounts set forth herein.**

**The value of an operating business is subject to numerous uncertainties and contingencies which are difficult to predict and will fluctuate with changes in factors affecting the financial condition and prospects of such a business. As a result, the estimate of the ranges of the reorganization value of the Reorganized Debtors set forth herein is not necessarily indicative of actual outcomes, which may be significantly more or less favorable than those set forth herein. Because such estimates are inherently subject to uncertainties, none of the Debtors, PWP, the Debtors' other advisors or any other person assumes responsibility for their accuracy. In addition, the valuation of newly issued Securities is subject to additional uncertainties and contingencies, all of which are difficult to predict. Actual market prices of such Securities at issuance will depend upon, among other things, prevailing interest rates, conditions in the financial markets, the anticipated initial securities holdings of prepetition creditors, some of which may prefer to liquidate their investment rather than hold it on a long-term basis, and other factors which generally influence the prices of securities.**

## B. VALUATION METHODOLOGY

PWP performed a variety of analyses and considered a variety of factors in preparing the reorganization value of the Reorganized Debtors. PWP primarily relied on widely-recognized methodologies: comparable public company analysis, discounted cash flow analysis and market analysis. PWP made judgments as to the relative significance of each analysis in determining the Debtors' indicated reorganization value range. PWP's valuation must be considered as a whole, and selecting just one methodology or portions of the analyses, without considering the analyses as a whole, could create a misleading or incomplete conclusion as to the Reorganized Debtors' reorganization value.

The following summary does not purport to be a complete description of the analyses and factors undertaken to support PWP's conclusions. The preparation of a valuation is a complex process involving various determinations as to the most appropriate analyses and factors to consider, as well as the application of those analyses and factors under the particular circumstances. As a result, the process involved in preparing a valuation is more complex than the summary provided below.

### 1. Comparable Public Company Analysis

A comparable public company analysis estimates value based on a comparison of the target company's financial statistics with the financial statistics of public companies that are similar to the target company. It establishes a benchmark for asset valuation by deriving the value of "comparable" assets through a standardized approach that uses a common variable such as revenues, earnings, and cash flows. The analysis includes a detailed financial comparison of each company's income statement, balance sheet, and cash flow statement. In addition, each company's performance, profitability, margins, leverage and business trends are also examined. Based on these analyses, a number of financial multiples and ratios are calculated to gauge each company's relative performance and valuation.

A key factor to this approach is the selection of companies with relatively similar business and operational characteristics to the target company. Criteria for selecting comparable companies include, among other relevant characteristics, similar lines of businesses, business risks, target market segments, growth

prospects, maturity of businesses, market presence, size, and scale of operations. The selection of truly comparable companies is often difficult and subject to interpretation. However, the underlying concept is to develop a premise for relative value, which, when coupled with other approaches, presents a foundation for determining reorganization value.

While calculating the current trading value for the comparable companies, PWP analyzed the current trading value for the comparable companies as a multiple of projected fiscal year end 2010 and 2011 earnings before interest, taxes, depreciation and amortization ("EBITDA"). These multiples were then applied to the Debtors' fiscal year end 2010 and 2011 forecasted Adjusted EBITDA to determine the range of reorganization values for the Debtors. Adjusted EBITDA ("Adjusted EBITDA") is measured as earnings (defined as operating income (loss) plus other income less other expenses) before interest, taxes, depreciation and amortization and excluding restructuring and other one-time charges.

**2. Discounted Cash Flow Approach**

The discounted cash flow ("DCF") valuation methodology relates the value of an asset or business to the present value of expected future cash flows to be generated by that asset or business. The DCF methodology is a "forward looking" approach that discounts the expected future cash flows by a theoretical or observed discount rate determined by calculating the average cost of debt and equity for publicly traded companies that are similar to the Debtors. The expected future cash flows have two components: the present value of the projected unlevered after-tax free cash flows for a determined period and the present value of the terminal value of cash flows (representing firm value beyond the time horizon of the Financial Projections). PWP's discounted cash flow valuation is based on a four year fiscal year end projection of the Debtors' operating results (2Q '10E – FY '13E). PWP discounted the projected cash flows using the Debtors' estimated weighted average cost of capital (the "Discount Rate" described below), and calculated the terminal value of the Debtors using EBITDA multiples derived from the historical trends and comparable companies analysis.

The Discount Rate reflects the estimated blended rate of return that would be required by debt and equity investors to invest in the business based on its capital structure. In selecting a cost of capital for the Debtors, PWP's analysis included input received from financing sources and yields on the debt securities of publicly traded comparable companies.

The DCF approach relies on a company's ability to project future cash flows with some degree of accuracy. Because the Financial Projections reflect significant assumptions made by the Debtors' management concerning anticipated results, the assumptions and judgments used in the Financial Projections may or may not prove correct and, therefore, no assurance can be provided that projected results are attainable or will be realized. PWP cannot and does not make any representations or warranties as to the accuracy or completeness of the Financial Projections.

**3. Market Analysis**

The Market Analysis approach estimates value by analyzing the levels at which investors are willing to put new capital into the reorganized entity. This approach assumes that investors would be willing to provide new capital if expected returns were sufficient to compensate for the risk inherent in the investment. As such, the value implied by the offers for new capital can be assumed to be a reasonable proxy for the risk-adjusted value of the business. PWP received several firm indications from key constituents and used these data points to derive an implied enterprise value for the reorganized Debtor.

**The foregoing Valuation represents estimated reorganization values and does not reflect values that could be attainable in public or private markets. The Valuation does not purport to be an estimate of the post-reorganized market trading value. Any such trading value may be materially different from the foregoing Valuation.**

# Exhibit F
# Liquidation Analysis

# EXHIBIT F

## Liquidation Analysis

*($ in Thousands)*

| Liquidation Proceeds: | As of 8/31/2009 | RECOVERY ANALYSIS HIGH | LOW | MIDPOINT |
|---|---|---|---|---|
| Cash | $29,576 | $29,576 | $29,576 | $29,576 |
| *% Recovery* | | *100%* | *100%* | *100%* |
| Accounts Receivable | 69,561 | 45,025 | 27,992 | 36,509 |
| *% Recovery* | | *65%* | *40%* | *52%* |
| Raw Materials | 16,199 | 4,619 | 2,418 | 3,518 |
| WIP | 20,178 | 1,790 | 358 | 1,074 |
| Finished Goods | 26,263 | 16,891 | 12,006 | 14,448 |
| Total Inventory | 62,640 | 23,300 | 14,782 | 19,041 |
| *% Recovery* | | *37%* | *24%* | *30%* |
| Prepaid and Other Current Assets | 6,398 | 467 | 467 | 467 |
| *% Recovery* | | *7%* | *7%* | *7%* |
| Supplies | 13,801 | 1,380 | 690 | 1,035 |
| *% Recovery* | | *10%* | *5%* | *8%* |
| Property, Plant & Equipment | 199,348 | 32,644 | 13,230 | 22,937 |
| *% Recovery* | | *16%* | *7%* | *12%* |
| Other Assets | 1,792 | 910 | 910 | 910 |
| *% Recovery* | | *51%* | *51%* | *51%* |
| **Estimated Gross Proceeds** | $383,116 | $133,303 | $87,646 | $110,474 |
| *% Recovery* | | *35%* | *23%* | *29%* |
| **Less Cost of Wind-Down:** | | | | |
| Liquidation costs | | $12,292 | $12,292 | $12,292 |
| Chapter 7 Trustee fees [1] | | 3,630 | 2,261 | 2,945 |
| **Estimated Net Proceeds Available for Creditors** | | **$117,380** | **$73,093** | **$95,237** |
| **Estimated Recoveries:** | | | | |
| **Senior Secured Revolver and First-Out Term Loan** | | $298,861 | $298,861 | $298,861 |
| *% Recovery* | | *39%* | *24%* | *32%* |
| Proceeds in excess over senior secured revolver and first-out term loan | | $0 | $0 | $0 |
| **Senior Secured Last-Out Term Loan** [2] | | $75,256 | $75,256 | $75,256 |
| *% Recovery* | | *0%* | *0%* | *0%* |
| Proceeds in excess over senior secured last-out term loan | | $0 | $0 | $0 |

*(1) Chapter 7 Trustee fees assumed to be 3% of estimated gross proceeds*

*(2) Includes PIK interest through August 31, 2009*

NOTES

1. Basis for Valuation

Value estimates were derived from actual balances as of August 31, 2009.

2. Cash

The cash balances in each of the high, midpoint and low recovery cases is the actual cash balance as of August 31, 2009.

3. Accounts Receivable

Accounts receivable were broken down between trade receivables and other receivables. Trade accounts receivable were analyzed using aging data by business unit and customer. A significant portion of the Debtors' receivables are current or less than 30 days past due which should enhance realizations, particularly in the high recovery case scenario. As such, it is assumed that moderate proceeds will be realized from trade receivables. Other receivables consist of various items including tax refunds and notes receivables which in aggregate are assumed to have moderate realizations.

4. Inventory

Inventory was analyzed by raw materials, work in progress and finished goods. Recovery of raw materials are estimated to have minimal to moderate recovery based on realizations relative to scrap values. The Debtors assumed that work in progress would not be converted into finished goods and therefore have minimal recovery values. Finished goods are assumed to have moderate recoveries given a significant portion of finished goods are made to order and the Debtors' leading market position.

5. Supplies

Supplies basically consist of spare parts used in the various manufacturing processes and are assumed to have minimal recovery value.

6. Property, Plant and Equipment (PP&E)

Property, Plant & Equipment consists of land and land improvements, machinery and equipment, buildings, furniture and fixtures, trucks and automobiles, tools and dies and leasehold improvements. The most significant category on a net book value basis is machinery & equipment, followed by buildings & fixtures. PP&E is assumed to produce minimal recovery in a chapter 7 liquidation.

7. Prepaid & Other Assets

Minimal recoveries are assumed for prepaid and other assets which include prepayments, deposits and notes receivables.

8. Intangible Assets

Intangible assets predominantly consist of goodwill and other intangible assets such as non-compete agreements, trade names, technology and customer relationships. Intangible assets are estimated to have no value in a chapter 7 liquidation.

9. Chapter 7 Wind-Down Costs

Costs estimates include wages, salaries and other overhead associated with selling assets and winding down the various manufacturing facilities. Such costs are estimated to be reduced significantly upon commencement of the liquidation and reduced further during the course of the wind-down. Certain professional fees and other contingencies for items such as severance and retention amounts are also included in the analysis. Wind down costs are satisfied ahead of creditors.

10. Chapter 7 Trustee Fees

It is assumed that the Chapter 7 trustee fees are paid in accordance with limits established by section 326 of the Bankruptcy Code.

11. Prepetition First Out Credit Agreement Claims

Prepetition First Out Credit Agreement Claims as of August 31, 2009 total $298.9 million and assume all letters of credit are fully drawn.

12. Prepetition Last Out Credit Agreement Claims

Prepetition First Out Credit Agreement Claims as of August 31, 2009 total $75.3 million and include PIK interest.

# EXHIBIT G

## Historical Financial Statements[6]

[6] These Historical Financial Statements were taken from the Form 10-K filed by Accuride with the Commission on or about March 31, 2009. The notes accompanying such Historical Financial Statements in the Form 10-K are an integral part of the following consolidated statements and should be reviewed in their entirety.

**Financial Statements**

**ACCURIDE CORPORATION**

## CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)[1]

| (In thousands, except for per share data) | September 30, 2009 | December 31, 2008 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | $ 25,017 | $ 123,676 |
| Customer receivables, net of allowance for doubtful accounts of $1,899 and $1,743 in 2009 and 2008, respectively | 69,591 | 70,485 |
| Other receivables | 7,201 | 7,734 |
| Inventories | 57,935 | 78,805 |
| Supplies, net | 16,907 | 18,501 |
| Deferred income taxes | 1,955 | 1,955 |
| Income tax receivable | 3,269 | 1,140 |
| Prepaid expenses and other current assets | 5,939 | 5,463 |
| Total current assets | 187,814 | 307,759 |
| PROPERTY, PLANT AND EQUIPMENT, net | 237,915 | 258,638 |
| OTHER ASSETS: | | |
| Goodwill | 127,474 | 127,474 |
| Other intangible assets, net | 93,792 | 97,482 |
| Deferred financing costs, net of accumulated amortization of $8,280 and $4,940 in 2009 and 2008, respectively | 8,661 | 5,559 |
| Marketable securities and other investments | — | 5,000 |
| Other | 7,706 | 6,638 |
| TOTAL | $ 663,362 | $ 808,550 |
| **LIABILITIES AND STOCKHOLDERS' DEFICIENCY** | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | $ 32,533 | $ 63,937 |
| Accrued payroll and compensation | 17,177 | 19,651 |
| Accrued interest payable | 18,494 | 12,505 |
| Accrued workers compensation | 7,848 | 7,969 |
| Debt | 555,108 | — |
| Indebtedness to related parties | 76,585 | — |
| Accrued and other liabilities | 19,200 | 21,556 |
| Total current liabilities | 726,945 | 125,618 |
| LONG-TERM DEBT | — | 651,169 |
| DEFERRED INCOME TAXES | 11,544 | 12,554 |
| NON-CURRENT INCOME TAXES PAYABLE | 8,440 | 8,715 |
| OTHER POSTRETIREMENT BENEFIT PLAN LIABILITY | 49,979 | 50,400 |
| PENSION BENEFIT PLAN LIABILITY | 31,521 | 31,941 |
| OTHER LIABILITIES | 6,955 | 1,968 |
| COMMITMENTS AND CONTINGENCIES (Note 7) | — | — |
| STOCKHOLDERS' DEFICIENCY: | | |
| Preferred Stock, $0.01 par value; 5,000,000 shares authorized and 1 issued | — | — |
| Common Stock, $0.01 par value; 100,000,000 shares authorized, 48,058,000 and 36,573,000 shares issued, and 47,507,000 and 35,869,000 shares outstanding in 2009 and 2008, respectively | 475 | 359 |
| Additional paid-in-capital | 268,026 | 263,858 |
| Treasury stock – 76,000 shares at cost in 2009 and 2008 | (751) | (751) |
| Accumulated other comprehensive loss | (31,708) | (29,672) |

[1] These financial statements were prepared on a consolidated basis and include Accuride Corporation and all of its debtor and non-debtor subsidiaries and affiliates.

| | | |
|---|---|---|
| Accumulated deficiency | (408,064) | (307,609) |
| Total stockholders' deficiency | (172,022) | (73,815) |
| TOTAL | $ 663,362 | $ 808,550 |

See notes to unaudited condensed consolidated financial statements.

**ACCURIDE CORPORATION**

**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**

| (in thousands except per share data) | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2009 | 2008 | 2009 | 2008 |
| NET SALES | $ 145,209 | $ 239,487 | $ 423,991 | $ 722,616 |
| COST OF GOODS SOLD | 143,335 | 227,599 | 431,098 | 677,109 |
| GROSS PROFIT (LOSS) | 1,874 | 11,888 | (7,107) | 45,507 |
| OPERATING EXPENSES: | | | | |
| Selling, general and administrative | 22,372 | 14,807 | 47,086 | 41,222 |
| Impairment of goodwill and other intangibles | — | 212,220 | — | 212,220 |
| LOSS FROM OPERATIONS | (20,498) | (215,139) | (54,193) | (207,935) |
| OTHER INCOME (EXPENSE): | | | | |
| Interest income | 254 | 304 | 717 | 1,029 |
| Interest expense | (18,385) | (11,930) | (47,742) | (36,853) |
| Loss on extinguishment of debt | — | — | (5,389) | — |
| Other income (loss), net | 3,231 | (456) | 5,585 | (577) |
| LOSS BEFORE INCOME TAXES | (35,398) | (227,221) | (101,022) | (244,336) |
| INCOME TAX BENEFIT | (2,069) | (26,042) | (567) | (34,791) |
| NET LOSS | $ (33,329) | $ (201,179) | $ (100,455) | $ (209,545) |
| Weighted average common shares outstanding—basic | 36,368 | 35,498 | 36,197 | 35,447 |
| Basic loss per share | $ (0.92) | $ (5.67) | $ (2.78) | $ (5.91) |
| Weighted average common shares outstanding—diluted | 36,368 | 35,498 | 36,197 | 35,447 |
| Diluted loss per share | $ (0.92) | $ (5.67) | $ (2.78) | $ (5.91) |

See notes to unaudited condensed consolidated financial statements.

**ACCURIDE CORPORATION**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**

| (In thousands) | Nine Months Ended September 30, 2009 | 2008 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net loss | $ (100,455) | $ (209,545) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and impairment | 34,580 | 30,412 |
| Amortization – deferred financing costs | 3,340 | 925 |
| Amortization – other intangible assets | 3,690 | 4,133 |
| Loss on extinguishment of debt | 5,389 | — |
| Loss on disposal of assets | 57 | 429 |
| Provision for deferred income taxes | (136) | (34,927) |
| Non-cash stock-based compensation | 249 | 2,185 |
| Loss on sale of marketable securities | 1,100 | — |
| Impairments of investments | — | 2,896 |
| Impairments of goodwill and other intangibles | — | 212,220 |
| Change in warrant liability | (608) | — |
| Paid-in-kind interest | 6,519 | — |
| Changes in certain assets and liabilities: | | |
| Receivables | 1,427 | (34,218) |
| Inventories and supplies | 22,464 | 6,052 |
| Prepaid expenses and other assets | (5,921) | (8,956) |
| Accounts payable | (26,910) | 10,958 |
| Accrued and other liabilities | 1,688 | (9,471) |
| Net cash used in operating activities | (53,527) | (26,907) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Purchases of property, plant and equipment | (16,122) | (24,862) |
| Purchase of marketable securities | — | (5,000) |
| Sale of marketable securities | 3,900 | — |
| Other | 213 | (827) |
| Net cash used in investing activities | (12,009) | (30,689) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Increase in revolving credit advance | 30,626 | — |
| Decrease in revolving credit advance | (53,000) | — |
| Credit facility amendment fees | (10,797) | — |
| Other | 48 | (934) |
| Net cash used in financing activities | (33,123) | (934) |
| DECREASE IN CASH AND CASH EQUIVALENTS | (98,659) | (58,530) |
| CASH AND CASH EQUIVALENTS—Beginning of period | 123,676 | 90,935 |
| CASH AND CASH EQUIVALENTS—End of period | $ 25,017 | $ 32,405 |
| | | |
| Supplemental cash flow information: | | |
| Cash paid for interest | $ 32,660 | $ 39,205 |
| Cash paid for income taxes | $ 802 | $ 2,298 |
| Non-cash transactions: | | |

| | | | | |
|---|---|---|---|---|
| Purchases of property, plant, and equipment in accounts payable | $ | 621 | $ | 1,964 |
| Issuance of warrants | $ | 4,655 | | — |
| Exercise of warrants | $ | 3,985 | | — |

See notes to unaudited condensed consolidated financial statements.

**ACCURIDE CORPORATION**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**AS OF SEPTEMBER 30, 2009 AND DECEMBER 31, 2008 AND FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008**

**(AMOUNTS IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)**

**Note 1 - Summary of Significant Accounting Policies**

***Basis of Presentation*** – The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, except that the unaudited condensed consolidated financial statements do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. However, in the opinion of Accuride Corporation ("Accuride" or the "Company"), all adjustments (consisting of normal recurring accruals) considered necessary to present fairly the condensed consolidated financial statements have been included.

The results of operations for the three and nine months ended September 30, 2009 are not necessarily indicative of the results to be expected for the year ending December 31, 2009. The unaudited consolidated financial statements and notes thereto should be read in conjunction with the audited consolidated financial statements and notes thereto disclosed in Accuride's Annual Report on Form 10-K for the year ended December 31, 2008.

Subsequent events have been evaluated for potential recognition and disclosure through November 16, 2009, the date that these financial statements are filed with the Securities and Exchange Commission. See Note 12, Subsequent Events.

***Bankruptcy Filing*** – On October 8, 2009, The Company and its United States ("U.S.") subsidiaries (the "Debtors") filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The Debtors' Chapter 11 cases are being jointly-administered under Case No. 09-13449. The Debtors will continue to operate their businesses as "debtors-in-possession" under the supervision of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. The Company's Mexico and Canada subsidiaries were not included in the filings and will continue their business operations without supervision from the Bankruptcy Court and will not be subject to the requirements of the Bankruptcy Code. See Note 12, Subsequent Events.

Accounting Standards Codification ("ASC") 852 *Reorganizations* ("ASC 852"), which is applicable to companies in Chapter 11, generally does not change the manner in which financial statements are prepared.

However, it does require that the financial statements for periods subsequent to the filing of the Chapter 11 petition distinguish transactions and events that are directly associated with the reorganization from the ongoing operations of the business. Revenues, expenses, realized gains and losses, and provisions for losses that can be directly associated with the reorganization and restructuring of the business must be reported separately as reorganization items in the statements of operations beginning in the quarter ending December 31, 2009. The balance sheet must distinguish prepetition liabilities subject to compromise from both those prepetition liabilities that are not subject to compromise and from post-petition liabilities. Liabilities that may be affected by a plan of reorganization must be reported at the amounts expected to be allowed, even if they may be settled for lesser amounts. In addition, cash provided by reorganization items must be disclosed separately in the statements of cash flows. The Company adopted ASC 852 effective on October 8, 2009 and will segregate those items as outlined above for all reporting periods subsequent to such date. The Debtors are currently operating pursuant to Chapter 11 under the Bankruptcy Code and continuation of the Company as a going-concern is contingent upon, among other things, the Debtors' ability (i) to comply with the terms and conditions of the DIP financing agreement described in Note 12; (ii) to develop a plan of reorganization and obtain confirmation under the Bankruptcy Code; (iii) to reduce unsustainable debt and other liabilities and simplify our complex and restrictive capital structure through the bankruptcy process; (iv) to return to profitability; (v) to generate sufficient cash flow from operations; and (vi) to obtain financing sources to meet our future obligations. These matters create uncertainty relating to our ability to continue as a going concern. The accompanying condensed consolidated financial statements do not reflect any adjustments relating to the recoverability and classification of assets or liabilities that might result from the outcome of these uncertainties. In addition, any plan of reorganization could materially change amounts reported in our condensed consolidated financial statements, which do not give effect to any adjustments of the carrying value of assets and liabilities

Fees related to the evaluation of alternatives for addressing the failure to comply with certain financial covenants under our Credit Agreement were recognized as a component of Operating Expenses.

***Management's Estimates and Assumptions*** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Derivative Financial Instruments*** – We use derivative financial instruments as part of our overall risk management strategy as further described under Item 7A of our 2008 Annual Report on Form 10-K. The derivative instruments used from time to time include interest rate and foreign exchange instruments. All derivative instruments are recognized on the balance sheet at their estimated fair values. As of September 30, 2009, there were no derivatives that were designated as hedges for financial reporting purposes.

***Interest Rate Instruments*** – We use interest rate swap agreements as a means of fixing the interest rate on portions of our floating-rate debt. As of September 30, 2009 we had one interest rate swap agreement outstanding, which was established in December 2007. Pursuant to the terms of the interest rate swap agreement, we exchange with the counterparty, at specified intervals, the difference between 3.81% from March 2009 through March 2010, and the variable rate interest amounts calculated by reference to the notional principal amount. The notional principal amount under the terms is $125 million from September 2009 through March 2010.

Gains and losses included as a component of interest expense are as follows:

| | Three Months Ended September | Nine Months Ended September |
|---|---|---|

| | 2009 | 2008 | 2009 | 2008 |
|---|---|---|---|---|
| Realized Loss | $ (1,190) | $ (555) | $ (3,044) | $ (754) |
| Unrealized Gain (Loss) | $ 906 | $ (435) | $ 2,287 | $ (1,617) |

***Foreign Exchange Instruments*** – We use foreign currency forward contracts and option contracts to limit foreign exchange risk on anticipated but not yet committed transactions expected to be denominated in Canadian dollars. As of September 30, 2009, the notional amount of open foreign exchange forward contracts was $4.7 million.

Gains and losses included as a component of other income (expense) are as follows:

| | Three Months Ended September | | Nine Months Ended September | |
|---|---|---|---|---|
| | 2009 | 2008 | 2009 | 2008 |
| Realized Gain (Loss) | $ 748 | $ (61) | $ 1,498 | $ 175 |
| Unrealized Gain (Loss) | $ (58) | $ (164) | $ 104 | $ (164) |

***Commodity Price Instruments*** – We use commodity price swap contracts to limit exposure to changes in certain raw material prices. Commodity price instruments, which do not meet the normal purchase exception, are not designated as hedges for financial reporting purposes and, accordingly, are carried in the financial statements at fair value, with realized and unrealized gains and losses reflected in current period earnings as a component of "Cost of goods sold." At September 30, 2009, we had no open commodity price swaps or futures contracts.

Gains and losses included as a component of cost of goods sold are as follows:

| | Three Months Ended September | | Nine Months Ended September | |
|---|---|---|---|---|
| | 2009 | 2008 | 2009 | 2008 |
| Realized Gain (Loss) | $ — | $ (562) | $ — | $ 1,072 |
| Unrealized Loss | $ — | $ (1,156) | $ — | $ (704) |

***Earnings Per Common Share*** – Basic and diluted earnings per common share were computed as follows:

| | Three Months Ended | | Nine Months Ended | |
|---|---|---|---|---|
| **(in thousands except per share data)** | 2009 | 2008 | 2009 | 2008 |
| Numerator: | | | | |
| Net loss | (33,329) | $ (201,179) | $ (100,455) | $ (209,545) |
| Denominator: | | | | |
| Weighted average shares outstanding – Basic | 36,368 | 35,498 | 36,197 | 35,447 |
| Effect of dilutive stock options | — | — | — | — |
| Weighted average shares outstanding – Diluted | 36,368 | 35,498 | 36,197 | 35,447 |
| Basic loss per common share | $ (0.92) | $ (5.67) | $ (2.78) | $ (5.91) |
| Diluted loss per common share | $ (0.92) | $ (5.67) | $ (2.78) | $ (5.91) |

As of September 30, 2009, there were 544,738 stock options, 1,117,113 stock appreciation rights, and a warrant exercisable for 238,728 shares that were not included in the computation of diluted earnings per share because the effect would be anti-dilutive.

***Stock-Based Compensation*** –As of September 30, 2009, there was approximately $1.3 million of unrecognized pre-tax compensation expense related to share-based awards not yet vested that will be recognized over a weighted-average period of 1.4 years.

Expense was recognized for share-based compensation as follows:

| | Three Months Ended September | Nine Months Ended September |
|---|---|---|

| | 2009 | 2008 | 2009 | 2008 |
|---|---|---|---|---|
| Share-based compensation expense recognized... | $ 125 | $ 475 | $ 249 | $ 2,185 |

*Income Tax* –Under ASC 270-10 and 740-270, *Interim Financial Reporting*, we compute on a quarterly basis an estimated annual effective tax rate considering ordinary income and related income tax expense. Ordinary income refers to income (loss) before income tax expense excluding significant, unusual, or infrequently occurring items. The tax effect of an unusual or infrequently occurring item is recorded in the interim period in which it occurs. To the extent the Company cannot reliably estimate annual projected taxes for a taxing jurisdiction, taxes on ordinary income for such a jurisdiction are reported in the period in which they are incurred, which is the case for our domestic tax jurisdictions. Other items included in income tax expense in the periods in which they occur include the cumulative effect of changes in tax laws or rates, foreign exchange gains and losses, adjustments to uncertain tax positions, and adjustments to our valuation allowance due to changes in judgment in the realizability of deferred tax assets in future years.

We have assessed the need to maintain a valuation allowance for deferred tax assets based on an assessment of whether it is more likely than not that deferred tax benefits will be realized through the generation of future taxable income. Appropriate consideration is given to all available evidence, both positive and negative, in assessing the need for a valuation allowance. Due to our recent history of U.S. operating and taxable losses, the inconsistency of these profits, and the uncertainty of our financial outlook, we continue to maintain a full valuation allowance against our domestic deferred tax assets.

***Recent Accounting Adoptions***

*ASC 805* – In December 2007, the Financial Accounting Standards Board ("FASB") issued SFAS No. 141(R), *Business Combinations*, which replaces SFAS No. 141, *Business Combinations*. SFAS No. 141(R) requires the acquirer of a business to recognize and measure the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree at fair value. SFAS No. 141(R) also requires transaction costs related to the business combination to be expensed as incurred. SFAS No. 141(R) applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. We adopted SFAS No. 141(R) on January 1, 2009 and it had no material impact on our consolidated financial statements.

*ASC 810-10* – In December 2007, the FASB issued the *Noncontrolling Interests in Consolidated Financial Statements* topic in the FASB Accounting Standards Codification. *Noncontrolling Interests in Consolidated Financial Statements* requires all entities to report noncontrolling (minority) interests in subsidiaries as equity in the consolidated financial statements. Its intention is to eliminate the diversity in practice regarding the accounting for transactions between an entity and noncontrolling interests. *Noncontrolling Interests in Consolidated Financial Statements* applies to fiscal years and interim periods beginning on or after December 15, 2008. We adopted *Noncontrolling Interests in Consolidated Financial Statements* topic on January 1, 2009 and it had no material impact on our consolidated financial statements.

*ASC 815-10* – In March 2008, the FASB issued *Disclosures about Derivative Instruments and Hedging Activities* in the FASB Accounting Standards Codification. *Disclosures about Derivative Instruments and Hedging Activities* amends and expands the disclosure requirements to provide a better understanding of how and why an entity uses derivative instruments, how derivative instruments and related hedged items are accounted for, and their effect on an entity's financial position, financial performance, and cash flows. *Disclosures about Derivative Instruments and Hedging Activities* is effective for fiscal years and interim periods beginning after November 15, 2008. We adopted *Disclosures about Derivative Instruments and Hedging Activities* topic on January 1, 2009 and it had no material impact on our consolidated financial statements.

*ASC 855-10* - We adopted *Subsequent Events* topic in the FASB Accounting Standard Codification for the Quarterly Report for the period ended June 30, 2009. *Subsequent Events* establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued, which are referred to as subsequent events. The statement clarifies existing guidance on subsequent events, including a requirement that a public entity should evaluate subsequent events through the issue date of the financial statements,

the determination of when the effects of subsequent events should be recognized in the financial statement and disclosures regarding all subsequent events. Adoption of the *Subsequent Events* topic did not have a material affect on our condensed consolidated financial statements.

*ASC 820* - In April 2009, the Financial Accounting Standards Board (FASB) issued accounting guidance on interim disclosures about fair value of financial instruments. This guidance amends previous guidance to require disclosures about fair value of financial instruments for interim reporting periods of publicly traded companies as well as in annual financial statements. This guidance also amends previous guidance to require disclosures in summarized financial information at interim reporting periods. This guidance was effective for interim reporting periods ending after June 15, 2009. The adoption of this guidance did not have a material impact on our condensed consolidated financial statements.

*ASC 105-10* - In June 2009, the FASB issued ASC topic 105 (formerly Statement of Financial Standards (SFAS) No. 168, *The Hierarchy of Generally Accepted Accounting Principles*). ASC 105 contains guidance which reduces the U.S. GAAP hierarchy to two levels, one that is authoritative and one that is not. This pronouncement became effective September 15, 2009. The adoption of this pronouncement did not have a material impact on our consolidated financial statements.

*New Accounting Pronouncements*

*ASC 820-10* – In February 2008, the FASB issued the *Effective Date of FASB Statement No. 157* topic in the FASB Accounting Standards Codification, which delayed the effective date of fair value measurements for nonfinancial assets and liabilities to fiscal years beginning after November 15, 2009, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis. Management is currently evaluating the impact of the topic on our consolidated financial statements.

*ASC 715-20* – In March 2008, the FASB issued the *Employers' Disclosures about Postretirement Benefit Plan Assets* topic in the FASB Accounting Standards Codification. The statement requires disclosures of the objectives of postretirement benefit plan assets, investment policies and strategies, categories of plan assets, fair value measurements of plan assets, and significant concentrations of risk. *Disclosures about Postretirement Benefit Plan Assets* is effective for fiscal years and interim periods beginning after December 15, 2009. The adoption of the *Disclosures about Postretirement Benefit Plan Assets* is expected to increase our disclosures, but it is not expected to have an impact on our consolidated financial statements.

*ASC 810* – In June 2009, the FASB finalized SFAS No. 167, Amending FASB interpretation No. 46(R), which was later superseded by the FASB Codification and included in ASC topic 810. The provisions of ASC 810 provide guidance in determining whether an enterprise has a controlling financial interest in a variable interest entity. This determination identifies the primary beneficiary of a variable interest entity as the enterprise that has both the power to direct the activities of a variable interest entity that most significantly impacts the entity's economic performance, and the obligation to absorb losses or the right to receive benefits of the entity that could potentially be significant to the variable interest entity. This pronouncement also requires ongoing reassessments of whether an enterprise is the primary beneficiary and eliminates the quantitative approach previously required for determining the primary beneficiary. New provisions of this pronouncement are effective January 1, 2010. The Company is currently evaluating the impact of adopting this pronouncement.

**Note 2 – Restructuring**

During 2008, in response to the slow commercial vehicle market and the decline in sales, management undertook a review of current operations that led to a comprehensive restructuring plan. On September 22, 2008, we approved a restructuring plan to more appropriately align our workforce in response to the relatively slow commercial vehicle market. On December 15, 2008, we announced additional actions in regards to the restructuring

plan that focused on the consolidation of several of our facilities. During 2008, we recognized restructuring expenses of $12.4 million in accordance with ASC 420-10, *Accounting for Costs Associated with Exit or Disposal Activities*.

Costs incurred in 2009 are shown below by reportable segment:

| | Three Months Ended September 30, 2009 | Nine Months Ended September 30, 2009 |
|---|---|---|
| **Wheels** | | |
| Employee severance costs | $ — | $ 643 |
| Lease and other contractual commitments | — | 141 |
| Subtotal | — | 784 |
| **Components** | | |
| Employee severance costs | 88 | 130 |
| Lease and other contractual commitments | — | 3,219 |
| Subtotal | 88 | 3,349 |
| **Corporate** | | |
| Employee severance costs | 54 | 967 |
| Subtotal | 54 | 967 |
| **Total** | $ 142 | $ 5,100 |

The following is a reconciliation of the beginning and ending restructuring reserve balances for the nine-month period ended September 30, 2009:

| | Employee Severance Costs | Lease and Other Contractual Costs | Total |
|---|---|---|---|
| Balance December 31, 2008 | $ 4,281 | $ — | $ 4,281 |
| Costs incurred and charged to operating expenses | 967 | — | 967 |
| Costs incurred and charged to cost of goods sold | 773 | 3,360 | 4,133 |
| Costs paid or otherwise settled | (4,771) | (207) | (4,978) |
| Balance at September 30, 2009 | $ 1,250 | $ 3,153 | $ 4,403 |

Of the remaining severance liability, $1,048 will be paid during 2009 with the remainder of $202 paid in 2010. Due to the filing of voluntary petitions for relief under Chapter 11 of the Bankruptcy Code, the amount of cash outflows related to the remaining lease liabilities has not been determined.

**Note 3 - Inventories**

Inventories are stated at the lower of cost or market. We review inventory on hand and write down excess and obsolete inventory based on our assessment of future demand and historical experience. The components of inventory on a FIFO basis are as follows:

| | September 30, 2009 | December 31, 2008 |
|---|---|---|
| Raw materials | $ 15,299 | $ 22,839 |
| Work in process | 19,572 | 21,930 |
| Finished manufactured goods | 23,064 | 34,036 |
| Total inventories, net | $ 57,935 | $ 78,805 |

**Note 4 - Goodwill and Other Intangible Assets**

Under ASC 350, *Goodwill and Other Intangible Assets,* we are required to assess goodwill and any indefinite-lived intangible assets for impairment annually, or more frequently if circumstances indicate impairment may have occurred. The analysis of potential impairment of goodwill requires a two-step approach. The first step is the estimation of fair value of each reporting unit. If step one indicates that impairment potentially exists, the second step is performed to measure the amount of impairment, if any. Goodwill impairment exists when the implied fair value is less than its carrying value.

As disclosed in Note 6 to the December 31, 2008 consolidated financial statements, the 2009 production forecasts published by ACT Publications for the significant commercial vehicle markets we serve were 145,000 for North American Class 8 Vehicles, 131,000 North American Class 5-7 Vehicles and 86,000 for U.S. Trailers. After December 31, 2008 actual build rates and projected 2009 build rates declined, coupled with a softening in the aftermarket. Our estimation of fair values during 2008 using an income approach for both goodwill and tradenames employed significant discount rate premiums to account for the risk associated with the potentially volatile projected cash flows and uncertainty in the economy. The deterioration in the build rates subsequent to December 31, 2008 was not an indicator of impairment for goodwill or the tradenames as the lower build rates were within the range of what we considered possible and had contemplated in our 2008 impairment analysis. Therefore, we have qualitatively concluded that each operating segment would continue to pass the step one test and that the remaining tradename intangible assets of $10.4 million would not be impaired during the nine months ended September 30, 2009.

The carrying amount of goodwill as of September 30, 2009 by reportable segment, are as follows:

| | Wheels | Components | Other | Corporate | Total |
|---|---|---|---|---|---|
| Balance as of September 30, 2009 | $ 123,199 | $ — | $ 4,275 | $ — | $ 127,474 |

The changes in the carrying amount of other intangible assets for the nine months ended September 30, 2009 by reportable segment, are as follows:

| | Wheels | Components | Other | Corporate | Total |
|---|---|---|---|---|---|
| Balance as of December 31, 2008 | $ — | $ 90,727 | $ 6,195 | $ 560 | $ 97,482 |
| Amortization | — | (3,262) | (288) | (140) | (3,690) |
| Balance as of September 30, 2009 | $ — | $ 87,465 | $ 5,907 | $ 420 | $ 93,792 |

The summary of goodwill and other intangible assets is as follows:

| | | As of September 30, 2009 | | | As of December 31, 2008 | | |
|---|---|---|---|---|---|---|---|
| | Weighted Average Useful Lives | Gross Amount | Accumulated Amortization & Impairment | Carrying Amount | Gross Amount | Accumulated Amortization & Impairment | Carrying Amount |
| **GOODWILL** | — | $ 378,804 | $ 251,330 | $ 127,474 | $ 378,804 | $ 251,330 | $ 127,474 |
| Other intangible | | | | | | | |
| Non-compete | 3.0 | $ 3,160 | $ 2,740 | $ 420 | $ 3,160 | $ 2,599 | $ 561 |
| Trade names | — | 38,080 | 27,650 | 10,430 | 38,080 | 27,650 | 10,430 |
| Technology | 14.7 | 33,540 | 10,704 | 22,836 | 33,540 | 8,989 | 24,551 |
| Customer | 29.6 | 71,500 | 11,394 | 60,106 | 71,500 | 9,560 | 61,940 |
| | 24.2 | $ 146,280 | $ 52,488 | $ 93,792 | $ 146,280 | $ 48,798 | $ 97,482 |

We estimate that aggregate amortization expense for our other intangible assets by year as follows:

| | | |
|---|---|---|
| 2009 | $ | 4,923 |
| 2010 | $ | 4,923 |
| 2011 | $ | 4,922 |
| 2012 | $ | 4,736 |
| 2013 | $ | 4,736 |

**Note 5 - Comprehensive loss**

Comprehensive loss for the three and nine months ended September 30 is summarized as follows:

| | For The Three Months Ended September 30, | | For The Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2009 | 2008 | 2009 | 2008 |
| Net loss | ( 33,329 | ( 201,179 | (10 0,455 | (2 09,545 |
| Other comprehensive income (net of tax) | | | | |
| Foreign currency translation impact on pension liabilities | (1,347 | 636 | (2,036 | 1,037 |
| Total comprehensive income (loss) | $ (34,676) | $ (200,543) | $ (102,491) | $ (208,508) |

Included in accumulated other comprehensive loss is the impact of pension liability fluctuations in the Canadian dollar to U.S. dollar exchange rate related to our Canadian pension plans.

**Note 6 - Pension and Other Postretirement Benefit Plans**

Components of Net Periodic Benefit Cost for the three and nine months ended September 30:

| | For The Three Months Ended September 30, | | | | For The Nine Months Ended September 30, | | | |
|---|---|---|---|---|---|---|---|---|
| | Pension Benefits | | Other Benefits | | Pension Benefits | | Other Benefits | |
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Service cost-benefits earned during the year | $ 390 | $ 813 | $ 83 | $ 131 | $ 1,135 | $ 2,527 | $ 238 | $ 443 |
| Interest cost on projected benefit obligation | 2,962 | 2,882 | 937 | 911 | 8,677 | 8,677 | 2,764 | 2,833 |
| Expected return on plan assets | (3,238) | (3,749) | — | — | (9,215) | (11,262) | — | — |
| Amortization of net transition (asset)/obligation | 4 | 4 | — | — | 10 | 12 | — | — |
| Amortization of prior service cost (benefit) | 96 | 103 | (393) | (385) | 267 | 307 | (1,179) | (1,055) |
| Amortization of (gain)/loss | 597 | 477 | (123) | (134) | 1,684 | 1,417 | (379) | (401) |
| Net amount charged to income | $ 811 | $ 530 | $ 504 | $ 523 | $ 2,558 | $ 1,678 | $ 1,444 | $ 1,820 |
| Curtailment charge | 575 | 2 | 23 | — | 575 | 2 | 23 | — |
| Contractual termination benefits charge | 2,376 | 1,134 | — | — | 2,376 | 1,134 | — | — |
| Total amount charged to income | $ 3,762 | $ 1,666 | $ 527 | $ 523 | $ 5,509 | $ 2,814 | $ 1,467 | $ 1,820 |

During the three months ended September 30, 2009 and 2008, we recorded pre-tax curtailment losses of $3.0 million and $1.1 million, respectively, related to reductions of our workforce in our London, Ontario, facility.

Also during the nine months ended September 30, 2008, we recorded $7.4 million of severance costs related to the reduction-in-force. Cash paid for the 2008 reduction-in-force during the nine months ended September 30, 2008, totaled $1.0 million.

As of September 30, 2009, $6.9 million has been contributed to our sponsored pension plans. We presently anticipate contributing an additional $3.4 million to fund our pension plans in 2009 for a total of $10.3 million.

**Note 7 – Contingencies**

We are from time to time involved in various legal proceedings of a character normally incident to our business. We do not believe that the outcome of these proceedings will have a material adverse effect on our consolidated financial condition or results of our operations.

As of September 30, 2009, we had an environmental reserve of approximately $1.5 million, related primarily to our foundry operations. This reserve is based on current cost estimates and does not reduce estimated expenditures to net present value, but does take into account the benefit of a contractual indemnity given to us by a prior owner of our wheel-end subsidiary. The failure for the indemnitor to fulfill its obligations could result in future costs that may be material. Any cash expenditures required by us or our subsidiaries to comply with applicable environmental laws and/or to pay for any remediation efforts will not be reduced or otherwise affected by the existence of the environmental reserve. We currently anticipate spending approximately $0.2 million per year in 2009 through 2012 for monitoring the various environmental sites associated with the environmental reserve, including attorney and consultant costs for strategic planning and negotiations with regulators and other potentially responsible parties, and payment of remedial investigation costs. Based on all of the information presently available to us, we believe that our environmental reserves will be adequate to cover the future costs related to the sites associated with the environmental reserves, and that any additional costs will not have a material adverse effect on our financial condition, results of operations or cash flows. However, the discovery of additional sites, the modification of existing or promulgation of new laws or regulations, more vigorous enforcement by regulators, the imposition of joint and several liability under CERCLA or analogous state laws, or other unanticipated events could also result in such a material adverse effect.

The final Iron and Steel Foundry National Emission Standard for Hazardous Air Pollutants, or NESHAP, was developed pursuant to Section 112(d) of the Clean Air Act and requires all major sources of hazardous air pollutants to install controls representative of maximum achievable control technology. We believe that our foundry operations are in compliance with the applicable requirements of the Iron and Steel Foundry NESHAP.

Pursuant to the Recapitalization of the Company on January 21, 1998, we were indemnified by Phelps Dodge Corporation with respect to certain environmental liabilities at our Henderson and London facilities, subject to certain limitations. At the Erie, Pennsylvania, facility, we have obtained an environmental insurance policy to provide coverage with respect to certain environmental liabilities. Management does not believe that the outcome of any environmental proceedings will have a material adverse effect on our consolidated financial condition or results of operations.

As of September 30, 2009, we had approximately 2,320 employees, of which 619 were salaried employees with the remainder paid hourly. Unions represent approximately 1,150 of our employees, or 50% of the total. Each of our unionized facilities has a separate contract with the union that represents the workers employed at such facility. The union contracts expire at various times over the next few years with the exception of our union contract that covers the hourly employees at our Monterrey, Mexico, facility, which expires on an annual basis in January unless otherwise renewed. The 2009 negotiations in Monterrey were successfully completed prior to the expiration of our union contract. The only contract expiring during the remainder of 2009 is our facility at Cuyahoga Falls. Based on the consolidation of the Cuyahoga Falls operations into our Erie plant, we have ceased operations performed by the collective bargaining unit at the Cuyahoga Falls facility and do not anticipate negotiating for a new contract at that location. To date in 2009, we have successfully completed negotiations for new collective bargaining agreements at our London and Brillion facilities as well as an extension of the agreement at our Elkhart Plant 2 facility. We do not anticipate any additional 2009 negotiations, including any that would have a material adverse effect on our operating performance or costs.

**Note 8 – Financial Instruments**

We have determined the estimated fair value amounts of financial instruments using available market information and other appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. ASC 820-10, *Fair Value Measurements,* establishes a fair value hierarchy for those instruments measured at fair value that distinguishes between assumptions based on

market data (observable inputs) and our own assumptions (unobservable inputs). Determining which category an asset or liability falls within the hierarchy requires significant judgment. We evaluate our hierarchy disclosures each quarter.

The hierarchy consists of three levels:

| | |
|---|---|
| Level 1 | Quoted market prices in active markets for identical assets or liabilities; |
| Level 2 | Inputs other than Level 1 inputs that are either directly or indirectly observable; and |
| Level 3 | Unobservable inputs developed using estimates and assumptions developed by us, which reflect those that a market participant would use. |

The carrying amounts of cash and cash equivalents, trade receivables, and accounts payable approximate fair value because of the relatively short maturity of these instruments. The carrying amounts and related estimated fair values for our remaining financial instruments as of September 30, 2009 are as follows:

| | Carrying Amount | Fair Value | | |
|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 |
| **Assets** | | | | |
| Foreign exchange forward contracts | $ 947 | | $ 947 | |
| **Liabilities** | | | | |
| Interest rate swap contracts | 2,185 | | 2,185 | |
| Common stock warrant | 62 | | | $ 62 |
| Total debt | 631,693 | | 507,692 | |

Fair values relating to derivative financial instruments reflect the estimated amounts that we would receive or pay to terminate the contracts at the reporting date based on quoted market prices of comparable contracts as of the balance sheet date. The fair value of our debt has been determined on the basis of the specific securities issued and outstanding. All of our debt instruments have variable interest rates except for the senior subordinated notes, which have a fixed interest rate of 8.50%. The fair value of the common stock warrant has been calculated using a Black-Scholes valuation model.

Our Level 3 financial instruments consist of municipal bonds with an auction reset feature ("auction rate securities") and warrants for our common stock. The bonds' underlying assets are generally student loans which are substantially backed by the federal government. During the quarter ending September 30, 2009 we entered into and executed an agreement in which we sold our auction rate securities.

On September 28, 2009, Sun Capital exercised 98 percent of the outstanding warrants for our common stock on a cashless basis. We issued approximately 11.4 million shares of common stock to Sun Capital. As of September 30, 2009, a liability of $62 has been recorded to reflect the fair value of the remaining warrant exercisable for 0.5 percent of our fully-diluted common stock.

The following table summarizes changes in fair value of our Level 3 assets and liabilities as of September 30, 2009:

| | Marketable Securities | Common Stock Warrant |
|---|---|---|
| Balance at December 31, 2008 | $ 5,000 | $ — |
| Purchase (issuance) of securities | — | (4,655) |
| Unrealized gain (loss) recognized | — | 608 |
| Realized loss | (1,100) | — |
| Net settlements | (3,900) | 3,985 |
| Balance at September 30, 2009 | $ — | $ (62) |

**Note 9 – Segment Reporting**

As a part of our continual monitoring of the long-term economic characteristics, products and production processes, class of customer, and distribution methods of our operating segments, we aggregate our seven operating segments into three reportable segments shown below. The accounting policies of the reportable segments are the same as described in Note 1, Summary of Significant Accounting Policies.

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2009 | 2008 | 2009 | 2008 |
| *Net Sales* | | | | |
| Wheels | $ 63,504 | $ 96,178 | $ 174,609 | $ 305,342 |
| Components | 75,412 | 131,937 | 222,535 | 380,055 |
| Other | 6,293 | 11,372 | 26,847 | 37,219 |
| Consolidated Total | $ 145,209 | $ 239,487 | $ 423,991 | $ 722,616 |
| *Operating Income (Loss)* | | | | |
| Wheels | $ 2,514 | $ 8,234 | $ 5,388 | $ 40,779 |
| Components | (4,850) | (206,663) | (28,395) | (218,322) |
| Other | 391 | (6,346) | 3,636 | (1,386) |
| Corporate | (18,553) | (10,364) | (34,822) | (29,006) |
| Consolidated Total | $ (20,498) | $ (215,139) | $ (54,193) | $ (207,935) |

| | As of | |
|---|---|---|
| | September 30, 2009 | December 31, 2008 |
| Total assets: | | |
| Wheels | $ 278,471 | $ 191,435 |
| Components | 249,674 | 285,966 |
| Other | 32,060 | 38,064 |
| Corporate | 103,157 | 293,085 |
| Consolidated total | $ 663,362 | $ 808,550 |

**Note 10 - Debt**

Debt at September 30, 2009, and December 31, 2008, consisted of the following:

| | September 30, 2009 | December 31, 2008 |
|---|---|---|
| Term Facility – Non-related Parties | $ 224,559 | $ 294,625 |
| Term Facility – Related Party | 76,585 | — |
| Senior Subordinated Notes | 275,000 | 275,000 |
| Revolving Credit Facility | 56,070 | 78,444 |
| Industrial Revenue Bond | 3,100 | 3,100 |
| Term Facility Discount | (3,621) | — |
| Total | $ 631,693 | $ 651,169 |

On February 4, 2009, we amended (the "Second Amendment") our Term Facility and Revolving Credit Facility (as defined below) under our Fourth Amended and Restated Credit Agreement, dated January 31, 2005 among Accuride, Accuride Canada, Inc., Citicorp USA, Inc., as administrative agent, and other lender parties thereto (as amended, the "Credit Agreement"). On February 4, 2009, we also completed a transaction (the "Sun Capital Transaction") with an affiliate of Sun Capital Securities Group ("Sun Capital"), which currently holds approximately $70.1 million principal amount of Last-Out Loans along with approximately $6.5 million of interest accrued as payable-in-kind. As of September 30, 2009, fees paid associated with the Second Amendment were $10.8 million.

In connection with the modification of the Last-Out Loans and pursuant to a Last-Out Debt Agreement, we issued a warrant (the "Warrant") to Sun Capital exercisable for 25 percent of our fully-diluted common stock at an exercise price of $0.01 per share. The grant date fair value of the warrant of $4,655 was recorded as a liability and a discount to our long-term debt and will be amortized over the life of our Term Facility, which matures on January

31, 2012. On September 28, 2009, Sun Capital exercised a portion of the Warrant for 24.5 percent of our fully-diluted common stock on a cashless basis. We issued approximately 11.4 million shares of common stock to Sun Capital. As of September 30, 2009, a liability of $62 has been recorded to reflect the fair value of the remaining Warrant exercisable for 0.5 percent of our fully-diluted common stock.

Under the terms of our Credit Agreement, there are certain restrictive covenants that limit the payment of cash dividends and establish minimum financial ratios. Our senior credit facilities and the indenture governing our Registered Senior Subordinated Notes restrict our ability to pay dividends. In addition, our senior credit facilities include other more restrictive covenants and prohibit us from prepaying our other indebtedness, including our Registered Senior Subordinated Notes, while borrowings under our senior credit facilities are outstanding.

Due to the operating results as of and for the three and six month periods ended June 30, 2009, we entered into a series of temporary waiver agreements (the "temporary waivers") with respect to our Credit Agreement among the Company, Accuride Canada, Inc., the lender party hereto, the administrative agent for the lenders, and the other agents party thereto. The temporary waiver agreements were entered into on July 8, 2009, August 14, 2009, September 15, 2009, and September 30, 2009, respectively.

Pursuant to the terms of the temporary waivers, the lenders agreed to waive our compliance with the following financial covenants under the Credit Agreement for the fiscal quarter ended June 30, 2009 and for the duration of the temporary waiver periods: (i) the Senior Secured Leverage Ratio set forth in Section 5.04(a), (ii) the Interest Coverage Ratio set forth in Section 5.04(c) and (iii) the Fixed Charge Coverage Ratio set forth in Section 5.04(d). The Company's failure to comply with any of these covenants would be an immediate event of default under the Credit Agreement (each default a "Potential Default"). The temporary waiver periods terminated on October 8, 2009.

Under the temporary waivers: (i) interest on advances and all outstanding obligations under the Credit Agreement accrue at an annual rate of 2.0% plus the otherwise applicable rate during the temporary waiver periods, (ii) the Company and its subsidiaries were required to comply with certain restrictions on incurring additional debt, making investments and selling assets and (iii) the Company was required to comply with a minimum liquidity requirement. Contemporaneously with the Second Temporary Waiver Agreement, Citicorp USA, Inc. resigned as administrative agent and the lenders appointed Deutsche Bank Trust Company Americas to serve as administrative agent.

Under U.S. GAAP, under an event of default of financial covenants associated with debt agreements, all amounts outstanding shall be classified within current liabilities on the balance sheet. Although the Company obtained the temporary waivers and forbearance agreements, the Company has classified all outstanding amounts under its Fourth Amended and Restated Credit Agreement and, due to cross-acceleration provisions, its senior subordinated notes as current liabilities as of September 30, 2009.

The Board appointed a special committee of independent directors to identify and, with the input of management and our financial advisors, evaluate alternatives to recommend an appropriate course of action to the full Board. As of September 30, 2009, we were negotiating restructuring alternatives with both our senior and subordinated lenders, such as additional amendments or waivers, the sale of non-core assets, and/or alternative debt structures, such as debt for debt or debt for equity agreements.

To maintain compliance with the temporary waivers, the Company did not pay the approximately $11.7 million of interest due August 3, 2009, to the holders of its 8 ½ percent Senior Subordinated Notes due 2015 (Notes) and used the 30-day grace period provided in the Note indenture to continue discussions regarding a capital restructuring with its lenders. Under the indenture, the failure to make this interest payment did not constitute an event of default that permitted acceleration of the Notes until the expiration of the 30-day grace period. Due to the non-payment of interest on the Notes, the Company entered into Forbearance Agreements with certain Noteholders on August 31, 2009, and September 30, 2009, respectively.

On October 8, 2009, Accuride Corporation (the "Company") and its domestic subsidiaries (together with the Company, the "Debtors") filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware. The filing of the voluntary petition constitutes an

event of default under the terms of our Credit Agreement and Senior Subordinated Notes indenture. See Note 12.

## Note 11 – Guarantor and Non-guarantor Financial Statements

Our 8½% Senior Subordinated Notes due 2015 are fully and unconditionally guaranteed, on a joint and several basis, by substantially all of our 100% owned domestic subsidiaries ("Guarantor Subsidiaries"). The non-guarantor subsidiaries are our foreign subsidiaries. The following condensed financial information illustrates the composition of the combined Guarantor Subsidiaries:

### CONDENSED CONSOLIDATED BALANCE SHEET

| | September 30, 2009 | | | | |
|---|---|---|---|---|---|
| | Parent | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| **ASSETS** | | | | | |
| Cash and cash equivalents | $ 18,050 | $ (516) | $ 7,483 | — | $ 25,017 |
| Accounts receivable, net | 34,002 | 183,754 | 6,036 | $ (147,000) | 76,792 |
| Inventories and supplies | 21,473 | 47,652 | 6,287 | (570) | 74,842 |
| Other current assets | 5,817 | 3,223 | 16,298 | (14,175) | 11,163 |
| Total current assets | 79,342 | 234,113 | 36,104 | (161,745) | 187,814 |
| Property, plant, and equipment, net | 37,115 | 159,041 | 41,759 | — | 237,915 |
| Goodwill | 66,973 | 52,460 | 8,041 | — | 127,474 |
| Intangible assets, net | 420 | 93,372 | — | — | 93,792 |
| Investment in subsidiaries and affiliates | 296,913 | — | — | (296,913) | — |
| Other non-current assets | 8,899 | 1,510 | 5,958 | — | 16,367 |
| TOTAL | $ 489,662 | $ 540,496 | $ 91,862 | $ (458,658) | $ 663,362 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | | | | |
| Accounts payable | $ 5,413 | $ 23,863 | $ 3,257 | — | $ 32,533 |
| Accrued payroll and compensation | 1,959 | 9,018 | 6,200 | — | 17,177 |
| Accrued interest payable | 18,114 | 9 | 371 | — | 18,494 |
| Debt | 606,593 | 3,100 | 22,000 | — | 631,693 |
| Accrued and other liabilities | 6,407 | 277,430 | 2,113 | $ (258,902) | 27,048 |
| Total current liabilities | 638,486 | 313,420 | 33,941 | (258,902) | 726,945 |
| Deferred and non-current income taxes | 3,771 | 16,061 | 152 | — | 19,984 |
| Other non-current liabilities | 19,427 | 58,058 | 10,970 | — | 88,455 |
| Stockholders' equity (deficiency) | (172,022) | 152,957 | 46,799 | (199,756) | (172,022) |
| TOTAL | $ 489,662 | $ 540,496 | $ 91,862 | $ (458,658) | $ 663,362 |

| | December 31, 2008 | | | | |
|---|---|---|---|---|---|
| | Parent | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| **ASSETS** | | | | | |
| Cash | $ 95,630 | $ (1,633) | $ 29,679 | — | $ 123,676 |
| Accounts receivable, net | 21,244 | 202,230 | 4,416 | $ (149,671) | 78,219 |
| Inventories and supplies | 21,278 | 64,506 | 12,056 | (534) | 97,306 |
| Other current assets | 2,449 | 3,465 | 2,644 | — | 8,558 |
| Total current assets | 140,601 | 268,568 | 48,795 | (150,205) | 307,759 |
| Property, plant, and equipment, net | 39,365 | 173,255 | 46,018 | — | 258,638 |
| Goodwill | 66,973 | 52,460 | 8,041 | — | 127,474 |
| Intangible assets, net | 560 | 96,922 | — | — | 97,482 |
| Investment in affiliates | 343,655 | — | — | (343,655) | — |
| Deferred tax assets | — | — | — | — | — |
| Other non-current assets | 10,593 | 1,472 | 5,132 | — | 17,197 |
| TOTAL | $ 601,747 | $ 592,677 | $ 107,986 | $ (493,860) | $ 808,550 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | | | | |
| Accounts payable | $ 10,523 | $ 45,172 | $ 8,242 | — | 63,937 |
| Accrued payroll and compensation | 2,380 | 11,349 | 5,922 | — | 19,651 |
| Accrued interest payable | 12,128 | 9 | 368 | — | 12,505 |
| Accrued and other liabilities | 9,101 | 279,329 | 5,082 | (263,987) | 29,525 |
| Total current liabilities | 34,132 | 335,859 | 19,614 | (263,987) | 125,618 |
| Long term debt, net | 618,069 | 3,100 | 30,000 | — | 651,169 |
| Deferred and long-term income taxes | 6,997 | 13,248 | 1,024 | — | 21,269 |
| Other non-current liabilities | 16,364 | 57,422 | 10,523 | — | 84,309 |
| Stockholders' equity (deficiency) | (73,815) | 183,048 | 46,825 | $ (229,873) | (73,815) |
| TOTAL | $ 601,747 | $ 592,677 | $ 107,986 | $ (493,860) | $ 808,550 |

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

| | Three Months Ended September 30, 2009 | | | | |
|---|---|---|---|---|---|
| | Parent | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| Net sales | $ 73,645 | $ 74,675 | $ 27,213 | $ (30,324) | $ 145,209 |
| Cost of goods sold | 69,926 | 77,909 | 25,824 | (30,324) | 143,335 |
| Gross profit (loss) | 3,719 | (3,234) | 1,389 | — | 1,874 |
| Operating expenses | 19,128 | 3,118 | 126 | — | 22,372 |
| Income (loss) from operations | (15,409) | (6,352) | 1,263 | — | (20,498) |
| Other income (expense): | | | | | |
| Interest expense, net | (17,624) | (40) | (467) | — | (18,131) |
| Equity in earnings (losses) of subsidiaries | (3,654) | — | — | 3,654 | — |
| Other income (expense), net | (153) | 67 | 3,317 | — | 3,231 |
| Income (loss) before income taxes | (36,840) | (6,325) | 4,113 | 3,654 | (35,398) |
| Income tax provision (benefit) | (3,511) | — | 1,442 | — | (2,069) |
| Net income (loss) | $ (33,329) | $ (6,325) | $ 2,671 | $ 3,654 | $ (33,329) |

| | Three Months Ended September 30, 2008 | | | | |
|---|---|---|---|---|---|
| | Parent | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| Net sales | $ 64,991 | $ 174,354 | $ 33,504 | $ (33,362) | $ 239,487 |
| Cost of goods sold | 58,297 | 171,347 | 31,317 | (33,362) | 227,599 |
| Gross profit | 6,694 | 3,007 | 2,187 | — | 11,888 |
| Operating expenses | 11,787 | 215,051 | 189 | — | 227,027 |
| Income (loss) from operations | (5,093) | (212,044) | 1,998 | — | (215,139) |
| Other income (expense): | | | | | |
| Interest income (expense), net | (9,841) | 7 | (1,792) | — | (11,626) |
| Equity in earnings of subsidiaries | (212,563) | — | — | 212,563 | — |
| Other income (loss), net | 250 | 56 | (762) | — | (456) |
| Income (loss) before income taxes | (227,247) | (211,981) | (556) | 212,563 | (227,221) |
| Income tax provision (benefit) | (26,068) | — | 26 | — | (26,042) |
| Net income (loss) | $ (201,179) | $ (211,981) | $ (582) | $ 212,563 | $ (201,179) |

| | Nine Months Ended September 30, 2009 | | | | |
|---|---|---|---|---|---|
| | Parent | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| Net sales | $ 206,503 | $ 223,045 | $ 68,288 | $ (73,845) | $ 423,991 |
| Cost of goods sold | 199,800 | 239,525 | 65,618 | (73,845) | 431,098 |
| Gross profit (loss) | 6,703 | (16,480) | 2,670 | — | (7,107) |
| Operating expenses | 37,440 | 9,180 | 466 | — | 47,086 |
| Income (loss) from operations | (30,737) | (25,660) | 2,204 | — | (54,193) |
| Other income (expense): | | | | | |
| Interest expense, net | (45,373) | (107) | (1,545) | — | (47,025) |
| Loss on extinguishment of debt | (5,389) | — | — | — | (5,389) |
| Equity in earnings of subsidiaries | (21,034) | — | — | 21,034 | — |
| Other income (expense), net | (413) | 221 | 5,777 | — | 5,585 |
| Income (loss) before income taxes | (102,946) | (25,546) | 6,436 | 21,034 | (101,022) |
| Income tax provision (benefit) | (2,491) | — | 1,924 | — | (567) |
| Net income (loss) | $ (100,455) | $ (25,546) | $ 4,512 | $ 21,034 | $ (100,455) |

| | Nine Months Ended September 30, 2008 | | | | |
|---|---|---|---|---|---|
| | Parent | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| Net sales | $ 198,956 | $ 513,464 | $ 113,854 | $ (103,658) | $ 722,616 |
| Cost of goods sold | 170,757 | 504,553 | 105,457 | (103,658) | 677,109 |
| Gross profit | 28,199 | 8,911 | 8,397 | — | 45,507 |
| Operating expenses | 31,786 | 221,053 | 603 | — | 253,442 |
| Income (loss) from operations | (3,587) | (212,142) | 7,794 | — | (207,935) |
| Other income (expense): | | | | | |
| Interest expense, net | (30,537) | (43) | (5,244) | — | (35,824) |
| Equity in earnings of subsidiaries | (210,418) | — | — | 210,418 | — |
| Other income (loss), net | (89) | 266 | (754) | — | (577) |
| Income (loss) before income taxes | (244,631) | (211,919) | 1,796 | 210,418 | (244,336) |
| Income tax provision (benefit) | (35,086) | — | 295 | — | (34,791) |
| Net income (loss) | $ (209,545) | $ (211,919) | $ 1,501 | $ 210,418 | $ (209,545) |

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Nine Months Ended September 30, 2009 | | | | |
|---|---|---|---|---|---|
| | Parent Company | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Net income (loss) | $ (100,455) | $ (25,546) | $ 4,512 | $ 21,034 | $ (100,455) |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities: | | | | | |
| Depreciation | 5,623 | 24,659 | 4,298 | — | 34,580 |
| Amortization – deferred financing costs | 3,319 | 2 | 19 | — | 3,340 |
| Amortization – other intangible assets | 140 | 3,550 | — | — | 3,690 |
| Loss on extinguishment of debt | 5,389 | — | — | — | 5,389 |
| Deferred income taxes | (136) | — | — | — | (136) |
| Change in warrant liability | (608) | — | — | — | (608) |
| Paid-in-kind interest | 6,519 | — | — | — | 6,519 |
| Loss (gain) on disposal of assets | (477) | 242 | 292 | — | 57 |
| Equity in earnings of subsidiaries and affiliates | 21,034 | — | — | (21,034) | — |
| Non-cash stock-based compensation | 249 | — | — | — | 249 |
| Change in other operating items | 10,436 | 6,398 | (22,986) | — | (6,152) |
| Net cash provided by (used in) operating activities | (48,967) | 9,305 | (13,865) | — | (53,527) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Purchases of property, plant, and equipment | (7,390) | (8,401) | (331) | — | (16,122) |
| Other | 3,900 | 213 | — | — | 4,113 |
| Net cash used in investing activities | (3,490) | (8,188) | (331) | — | (12,009) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | | |
| Net change in revolving credit advance | (35,000) | — | (8,000) | — | (43,000) |
| Other | 9,877 | — | — | — | 9,877 |
| Net cash used in financing activities | (25,123) | — | (8,000) | — | (33,123) |
| Increase (decrease) in cash and cash equivalents | (77,580) | 1,117 | (22,196) | — | (98,659) |
| Cash and cash equivalents, beginning of year | 95,630 | (1,633) | 29,679 | — | 123,676 |
| Cash and cash equivalents, end of period | $ 18,050 | $ (516) | $ 7,483 | $ — | $ 25,017 |

| | Nine Months Ended September 30, 2008 | | | | |
|---|---|---|---|---|---|
| | Parent Company | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Net income (loss) | $ (209,545) | $ (211,919) | $ 1,501 | $ 210,418 | $ (209,545) |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities: | | | | | |
| Depreciation | 5,658 | 19,923 | 4,831 | — | 30,412 |
| Amortization – deferred financing costs | 903 | 3 | 19 | — | 925 |
| Amortization – other intangible assets | 507 | 3,626 | — | — | 4,133 |
| Loss on disposal of assets | 50 | 211 | 168 | — | 429 |
| Deferred income taxes | (35,577) | — | 650 | — | (34,927) |
| Equity in earnings of subsidiaries and affiliates | 210,418 | — | — | (210,418) | — |
| Non-cash stock-based compensation | 2,185 | — | — | — | 2,185 |
| Impairments of investments | 2,896 | — | — | — | 2,896 |
| Impairments of goodwill and other intangibles | — | 212,220 | — | — | 212,220 |
| Change in other operating items | (21,421) | (7,120) | (7,094) | — | (35,635) |
| Net cash provided by (used in) operating activities | (43,926) | 16,944 | 75 | — | (26,907) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Purchases of property, plant, and equipment | (9,253) | (14,910) | (699) | — | (24,862) |
| Other | (6,097) | 270 | — | — | (5,827) |
| Net cash used in investing activities | (15,350) | (14,640) | (699) | — | (30,689) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | | |
| Other | (934) | — | — | — | (934) |

| | | | | | |
|---|---|---|---|---|---|
| Net cash used in financing activities | (934) | — | — | — | (934) |
| Increase (decrease) in cash and cash equivalents | (60,210) | 2,304 | (624) | — | (58,530) |
| Cash and cash equivalents, beginning of year | 85,940 | (2,474) | 7,469 | — | 90,935 |
| Cash and cash equivalents, end of year | $ 25,730 | $ (170) | $ 6,845 | $ — | $ 32,405 |

**Note 12 – Subsequent Events**

On October 8, 2009, Accuride Corporation (the "Company") and its domestic subsidiaries (together with the Company, the "Debtors") filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware. The Debtors will continue to operate their businesses as debtors-in-possession under the jurisdiction of the bankruptcy court and in accordance with the applicable provisions of the Bankruptcy Code. On the petition date, the Debtors filed several motions with the bankruptcy court, including a motion to have the Chapter 11 cases jointly administered.

Prior to making the Chapter 11 filings, on October 7, 2009, the Company entered into (i) a Restructuring Support Agreement with the holders of approximately 57% of the principal amount of the loans outstanding under the Company's Fourth Amended and Restated Credit Agreement, dated as of January 31, 2005, as amended, among the Company, Accuride Canada Inc., the lenders party thereto, the administrative agent for the lenders, and the other agents party thereto (the "Credit Agreement"), (ii) a Restructuring Support Agreement with the beneficial holders of approximately 70% of the principal amount of the Company's 8.5% Senior Subordinated Notes due 2015, issued pursuant to the Indenture dated January 31, 2005 between the Company, the guarantors named therein and the Bank of New York Trust Company, N.A. as trustee (the "Indenture") and (iii) a Convertible Notes Commitment Agreement (together with the Restructuring Support Agreements, the "Restructuring Agreements") with certain holders of the senior subordinated notes. Pursuant to the Restructuring Agreements, the parties thereto have agreed to support a financial reorganization of the Debtors consistent with the terms and conditions set forth below and the senior lenders and noteholders have agreed to not transfer any claims except to a transferee who agrees to be bound by the applicable Restructuring Support Agreement.

*Restructuring Transaction*

The terms of the Restructuring Transaction include:

- The Credit Agreement will be amended to: (i) extend its maturity (except that of the "last-out" term loans described below) through June 30, 2013, (ii) amend the interest rate to LIBOR + 6.75% (with a LIBOR floor of 3.00%) and (iii) eliminate all financial covenants except minimum liquidity and minimum EBITDA covenants.

- The senior subordinated notes will be cancelled and the holders will receive 98% of the common stock of the reorganized Company, subject to dilution, including dilution for common stock issued upon conversion of the new convertible notes and new warrants issued pursuant to the Restructuring Transaction, as described below.

- The reorganized Company will complete a $140 million rights offering of new senior unsecured convertible notes to current noteholders. The rights offering is fully backstopped by certain current noteholders. The new notes will be convertible into 60% of the common stock of the reorganized Company.

- A portion of the proceeds from the rights offering will be used to fully pay down the "last-out" term loans currently outstanding under the Credit Agreement and held by an affiliate of Sun Capital Partners ("Sun Capital") with the remainder to provide ongoing liquidity for Debtors' businesses.

- The Company's common stock will be cancelled and the holders will receive 2% of the common stock of the reorganized Company and warrants exercisable for up to 15% of the common stock of the reorganized Company, subject to dilution, including dilution for stock issued upon conversion of the new convertible notes. The warrants provide the opportunity for additional recovery to the pre-petition equity holders in the

event that the reorganized Company reaches certain equity value targets during the two years following the warrants' issue.

- Unsecured trade creditors will be unimpaired and their claims will be paid in full.

The Restructuring Agreements contain customary terms, are subject to material conditions and may be terminated upon the occurrence of certain events, including if there is a material adverse change to the Company's business, results of operations, property or financial condition.

*Debtor-in-Possession Financing*

In connection with the Chapter 11 filings, Debtors filed a motion seeking the approval of the bankruptcy court for a superpriority secured ABL revolving credit facility of $25 million and a term loan first-in, last-out facility of $25 million (together, the "DIP Credit Agreement"), between the Company, Deutsche Bank Trust Company, as administrative agent for the lenders under the DIP Credit Agreement, and certain other agents and lenders party thereto. The $25 million of ABL loans under the DIP Credit Agreement would bear interest, at the election of the Company, at a rate of LIBOR + 6.50% (with a LIBOR floor of 2.50%) or Base Rate + 5.50% (with a Base Rate floor of 3.50%), and the $25 million of first-in, last-out term loans under the DIP Credit Agreement would bear interest, at the election of the Company, at a rate of LIBOR + 7.50% (with a LIBOR floor of 2.50%) or Base Rate + 6.50% (with a Base Rate floor of 3.50%). Unless otherwise extended, the DIP Credit Agreement would mature nine months from the commencement of the bankruptcy case, subject to certain provisions that may lead to an earlier termination.

The use of proceeds under the DIP Credit Agreement would be limited to working capital and other general corporate purposes consistent with a budget that the Company presented to the administrative agent, including payment of costs and expenses related to the administration of the bankruptcy proceedings and payment of other expenses as approved by the bankruptcy court.

On November 2, 2009, Debtors received final approval from the U.S. Bankruptcy Court ("Court") of its $50 Million Debtor in Possession (DIP) financing agreement.

*Fourth Amendment and Canadian Forbearance Agreement*

In connection with the Chapter 11 filings and the Restructuring Transaction, effective October 8, 2009, the Company also entered into a Fourth Amendment and Canadian Forbearance Agreement with respect to the Credit Agreement (the "Canadian Forbearance"). Pursuant to the Canadian Forbearance, the senior lenders have agreed to forbear from enforcing any remedies under the Credit Agreement against Accuride Canada, Inc. with respect to any defaults specified therein. The Canadian Forbearance will remain effective until the termination of the DIP Credit Agreement, subject to certain provisions that may lead to an earlier termination.

## ACCURIDE CORPORATION
## CONSOLIDATED STATEMENTS OF CASH FLOWS[1]

| (In thousands) | Years Ended December 31, 2008 | 2007 | 2006 |
|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Net income (loss) | $ (328,266) | $ (8,639) | $ 65,133 |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities: | | | |
| Depreciation and impairment of property, plant and equipment | 44,021 | 55,912 | 61,497 |
| Amortization – deferred financing costs | 1,235 | 1,235 | 1,366 |
| Amortization – other intangible assets | 5,398 | 5,674 | 5,532 |
| Loss on disposal of assets | 3,160 | 433 | 1,551 |
| Provision for deferred income taxes | (6,264) | (8,450) | 9,672 |
| Equity in earnings of affiliates | — | — | (621) |
| Non-cash stock-based compensation | 2,434 | 2,719 | 1,500 |
| Impairments of investments | 3,056 | — | — |
| Impairments of goodwill and other intangibles | 277,041 | 1,100 | — |
| Changes in certain assets and liabilities, net of effects from acquisition: | | | |
| Receivables | 8,145 | 55,470 | 1,069 |
| Inventories and supplies | 15,806 | 12,667 | 10,637 |
| Prepaid expenses and other assets | (26,708) | 11,142 | 3,119 |
| Accounts payable | (13,027) | (25,873) | (9,997) |
| Accrued and other liabilities | 4,804 | (20,448) | 555 |
| Net cash provided by (used in) operating activities | (9,165) | 82,942 | 151,013 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| Purchases of property, plant and equipment | (29,685) | (36,499) | (42,189) |
| Cash distribution from investment - Trimont | 353 | 427 | 544 |
| Proceeds from sale of property, plant and equipment | — | 446 | 1,888 |
| Purchase of marketable securities | (5,000) | — | — |
| Other investments | (975) | (740) | (1,038) |
| Net cash used in investing activities | (35,307) | (36,366) | (40,795) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | |
| Payments on long-term debt | — | (70,000) | (50,000) |
| Increase in revolving credit advance | 78,444 | 5,000 | 25,000 |
| Decrease in revolving credit advance | — | (5,000) | (30,000) |
| Proceeds from issuance of shares | — | — | (103) |
| Proceeds from employee stock option and stock purchase plans | 416 | 3,006 | 4,535 |
| Tax effect from employee stock option exercises | (1,647) | 1,149 | 2,139 |
| Net cash provided by (used in) financing activities | 77,213 | (65,845) | (48,429) |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 32,741 | (19,269) | 61,789 |
| CASH AND CASH EQUIVALENTS—Beginning of year | 90,935 | 110,204 | 48,415 |
| CASH AND CASH EQUIVALENTS—End of year | $ 123,676 | $ 90,935 | $ 110,204 |
| Supplemental cash flow information: | | | |
| Cash paid for interest | $ 43,499 | $ 46,794 | $ 51,480 |
| Cash paid for income taxes | $ 2,231 | $ 2,101 | $ 10,249 |
| Cash paid for capital leases | $ 200 | $ 214 | $ 233 |
| Purchases of property, plant and equipment in accounts payable | $ 5,115 | $ 8,221 | $ 9,495 |

See notes to consolidated financial statements.

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[1] These financial statements were prepared on a consolidated basis and include Accuride Corporation and all of its debtor and non-debtor subsidiaries and affiliates.

**ACCURIDE CORPORATION**
**For the years ended December 31, 2008, 2007, and 2006**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Dollars in thousands, except share and per share data)**

## Note 1 - Summary of Significant Accounting Policies

*Basis of Consolidation*—The accompanying consolidated financial statements include the accounts of Accuride Corporation (the "Company") and its wholly-owned subsidiaries, including Accuride Canada, Inc. ("Accuride Canada"), Accuride Erie L.P. ("Accuride Erie"), Accuride de Mexico, S.A. de C.V. ("AdM"), AOT, Inc. ("AOT"), and Transportation Technologies Industries, Inc. ("TTI"). TTI's subsidiaries include Bostrom Seating, Inc. ("Bostrom"), Brillion Iron Works, Inc. ("Brillion"), Fabco Automotive Corporation ("Fabco"), Gunite Corporation ("Gunite"), and Imperial Group, L.P. ("Imperial"). All intercompany transactions have been eliminated. Investments in affiliated companies in which we have a controlling interest are accounted for using the equity method.

*Business of the Company*—We are engaged primarily in the design, manufacture and distribution of components for trucks, trailers and certain military and construction vehicles. We sell our products primarily within North America and Latin America to original equipment manufacturers and to the aftermarket.

*Management's Estimates and Assumptions*—The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Revenue Recognition*—Revenue from product sales is recognized primarily upon shipment whereupon title passes and we have no further obligations to the customer. Provisions for discounts and rebates to customers, and returns and other adjustments are provided for as a reduction of sales in the same period the related sales are recorded.

*Cash and Cash Equivalents*—Cash and cash equivalents include all highly liquid investments with original maturities of three months or less at the time of acquisition. The carrying value of these investments approximates fair value due to their short maturity.

*Inventories*—Inventories are stated at the lower of cost or market. Cost for substantially all inventories is determined by the first-in, first-out method ("FIFO"). We review inventory on hand and write down excess and obsolete inventory based on our assessment of future demand and historical experience. We also have applied Statement of Financial Accounting Standards ("SFAS") No. 151, *Inventory Costs*, which requires that abnormal items be recognized as current-period charges. This Statement requires that allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities.

*Supplies*—Supplies primarily consist of spare parts and consumables used in the manufacturing process. Supplies are stated at the lower of cost or market. Cost for substantially all supplies is determined by a moving-average method. We perform annual evaluations of supplies and provide an allowance for obsolete items based on usage activity.

*Investment in Affiliate*—Included in "Equity in earnings of affiliates" was our 50% interest in the earnings of AOT. AOT was a joint venture between us and The Goodyear Tire & Rubber Company ("Goodyear") formed to provide sequenced wheel and tire assemblies for Navistar International Transportation Corporation. On October 31, 2006, AOT became a wholly-owned subsidiary as a result of our purchase of Goodyear's interest.

*Property, Plant and Equipment*—Property, plant and equipment are recorded at cost and are depreciated using the straight-line method over their expected useful lives. Generally, buildings and improvements have useful lives of 15-30 years, and factory machinery and equipment have useful lives of 10 years.

*Deferred Financing Costs*—Costs incurred in connection with the Credit Agreement and issuance of senior subordinated notes (see Note 6) have been deferred and are being amortized over the life of the related debt

using the effective interest method.

*Goodwill*—Goodwill consists of costs in excess of the net assets acquired in connection with the Phelps Dodge Corporation ("PDC") acquisition of us in 1988, the Accuride Erie and AdM acquisitions in 1999, and the TTI acquisition in 2005. In accordance with SFAS No. 142, *Accounting for Goodwill and Other Intangible Assets,* we test goodwill for impairment at least annually or more frequently if impairment indicators arise. See Note 4 for a discussion of recorded impairments.

*Intangible Assets*—In accordance with SFAS No. 142, our indefinite lived intangibles assets (trade names) are not amortized but are reviewed for impairment at least annually or more frequently if impairment indicators arise. The lives for the definite-lived intangibles assets are reviewed annually to ensure recoverability when events or changes in economic circumstances indicate the carrying amount of such assets may not be recoverable. See Note 4 for a discussion of recorded impairments.

*Long-Lived Assets*—We evaluate our long-lived assets to be held and used and our amortizing intangible assets for impairment when events or changes in economic circumstances indicate the carrying amount of such assets may not be recoverable. Impairment is determined by comparison of the carrying amount of the asset to the net undiscounted cash flows expected to be generated by the related asset group. Long-lived assets to be disposed of are carried at the lower of cost or fair value less the costs of disposal.

*Pension Plans*—We have trusteed, non-contributory pension plans covering certain U.S. and Canadian employees. For certain plans, the benefits are based on career average salary and years of service and, for other plans, a fixed amount for each year of service. Our net periodic pension benefit costs are actuarially determined. Our funding policy provides that payments to the pension trusts shall be at least equal to the minimum legal funding requirements.

*Postretirement Benefits Other Than Pensions*—We have postretirement health care and life insurance benefit plans covering certain U.S. non-bargained and Canadian employees. We account for these benefits on an accrual basis and provide for the expected cost of such postretirement benefits accrued during the years employees render the necessary service. Our funding policy provides that payments to participants shall be at least equal to our cash basis obligation.

*Postemployment Benefits Other Than Pensions*—We have certain post-employment benefit plans, which provide severance benefits, covering certain U.S. and Canadian employees. We account for these benefits on an accrual basis.

*Income Taxes*—Deferred tax assets and liabilities are computed based on differences between financial statement and income tax bases of assets and liabilities using enacted income tax rates. Deferred income tax expense or benefit is based on the change in deferred tax assets and liabilities from period to period, subject to an ongoing assessment of realization of deferred tax assets. Management judgment is required in developing our provision for income taxes, including the determination of deferred tax assets, liabilities and any valuation allowance recorded against the deferred tax assets. We evaluate quarterly the realizability of our net deferred tax assets by assessing the valuation allowance and adjusting the amount of such allowance, if necessary. The factors used to assess the likelihood of realization are our forecast of taxable income and the availability of tax planning strategies that can be implemented to realize the net deferred tax assets. We have concluded that we will more than likely not realize the benefits of certain deferred tax assets, totaling $54.4 million, for which we have provided a valuation allowance. See Note 9 for a discussion of valuation allowances.

In July 2006, the FASB issued FIN 48, *Accounting for Uncertainty in Income Taxes,* to address the noncomparability in reporting tax assets and liabilities resulting from a lack of specific guidance in SFAS No. 109, *Accounting for Income Taxes,* on the uncertainty in income taxes recognized in an enterprise's financial statements. Specifically, FIN 48 prescribes (a) a consistent recognition threshold and (b) a measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken, and provides related guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The impact of the adoption of FIN 48 on January 1, 2007, was to decrease retained earnings by $2.1 million, increase goodwill by $0.7 million, decrease income taxes payable by $6.1 million, decrease net deferred tax liabilities by $2.7 million, and increase non-current income taxes payable by $11.6 million.

*Research and Development Costs*—Expenditures relating to the development of new products and

processes, including significant improvements and refinements to existing products, are expensed as incurred. The amounts expensed in the years ended December 31, 2008, 2007, and 2006 totaled $10.9 million, $7.3 million and $8.0 million, respectively.

*Foreign Currency*—The assets and liabilities of Accuride Canada and AdM that are receivable or payable in cash are converted at current exchange rates, and inventories and other non-monetary assets and liabilities are converted at historical rates. Revenues and expenses are converted at average rates in effect for the period. The functional currencies of Accuride Canada and AdM have been determined to be the U.S. dollar. Accordingly, gains and losses resulting from conversion of such amounts, as well as gains and losses on foreign currency transactions, are included in operating results as "Other income (loss), net." We had aggregate foreign currency gains of $6.6 million and $0.1 million for the years ended December 31, 2007, and 2006, respectively. For the year ended December 31, 2008 we had an aggregate foreign currency loss of $5.2 million.

*Concentrations of Credit Risk*—Financial instruments that potentially subject us to significant concentrations of credit risk consist principally of cash, cash equivalents, customer receivables, and derivative financial instruments. We place our cash and cash equivalents and execute derivatives with high quality financial institutions. Generally, we do not require collateral or other security to support customer receivables.

*Derivative Financial Instruments*—We use derivative instruments to manage exposure to foreign currency, commodity prices, and interest rate risks. We do not enter into derivative financial instruments for trading or speculative purposes. The derivative instruments used by us include interest rate foreign exchange and commodity price instruments. All derivative instruments are recognized on the consolidated balance sheet at their estimated fair value. See Note 13 for the carrying amounts and estimated fair values of these instruments. As of December 31, 2008, there were no derivatives designated as hedges for financial reporting purposes.

*Interest Rate Instruments*—We use interest rate swap agreements as a means of fixing the interest rate on portions of our floating-rate debt. At December 31, 2008, we had one interest rate swap agreement outstanding. See Note 6 for the details of the agreements. The interest rate swap agreements are not designated as hedges for financial reporting purposes and are carried in the consolidated financial statements at fair value, with all realized and unrealized gains or losses reflected in current period earnings as a component of interest expense. See Note 6 for the description of interest rate instruments.

*Foreign Exchange Instruments*—We use foreign currency forward contracts and options to limit foreign exchange risk on anticipated but not yet committed transactions expected to be denominated in Canadian dollars. Based on historical experience and analysis performed by us, management expected that these derivative instruments would be highly effective in offsetting the change in the value of the anticipated transactions being hedged. As such, unrealized gains or losses were deferred in "Other Comprehensive Income (Loss)" with only realized gains or losses reflected in earnings as "Cost of Goods Sold." These instruments expired in the first quarter of 2006.

We had $21.8 million of outstanding foreign currency exchange instruments at December 31, 2008. We had no outstanding instruments at December 31, 2007. Foreign currency forward contracts are carried in the consolidated financial statements at fair value, with unrealized gains or losses reflected in current period earnings as a component of "Other income (loss), net." The settlement amounts are also reported in the consolidated financial statements as a component of "Other income (loss), net." As of December 31, 2008, there were no derivatives designated as hedges for financial reporting purposes.

*Commodity Price Instruments*—We periodically use commodity price swap contracts to limit exposure to changes in certain raw material prices. Commodity price instruments, which do not meet the normal purchase exception, are not designated as hedges for financial reporting purposes and, accordingly, are carried in the financial statements at fair value, with realized and unrealized gains and losses reflected in current period earnings as a component of "Cost of goods sold." While we had no commodity price instruments outstanding at December 31, 2008, the notional amount of commodity price instruments at December 31, 2007 was $12.5 million.

The pre-tax realized and unrealized gains (losses) on our derivative financial instruments for the years ended December 31, 2008, 2007, and 2006 recognized in our consolidated statements of operations are as follows:

| Interest Rate Instruments | Foreign Exchange Instruments | Commodity Instruments |
|---|---|---|

| | Realized Gain (Loss) | Unrealized Gain (Loss) | Realized Gain (Loss) | Unrealized Gain (Loss) | Realized Gain (Loss) | Unrealized Gain (Loss) |
|---|---|---|---|---|---|---|
| 2006 | $ 2,356 | $ (184) | — | $ (283) | — | — |
| 2007 | $ 2,644 | $ (2,323) | $ 3,426 | $ 283 | $ (251) | $ (452) |
| 2008 | $ (1,338) | $ (4,362) | $ (849) | $ 843 | $ (1,001) | $ 452 |

***Earnings Per Share***—Earnings per share are calculated as net income (loss) divided by the weighted average number of common shares outstanding during the period. Diluted earnings per share are calculated by dividing net income by this weighted-average number of common shares outstanding plus common stock equivalents outstanding during the year. Employee stock options outstanding to acquire 1,356,419 shares in 2008, 1,176,276 shares in 2007, and 97,592 shares in 2006 were not included in the computation of diluted earnings per common share because the effect would be anti-dilutive.

| | December 31, | | |
|---|---|---|---|
| | 2008 | 2007 | 2006 |
| Numerator: | | | |
| Net income (loss) | $ (328,266) | $ (8,639) | $ 65,133 |
| Denominator: | | | |
| Basic weighted average shares outstanding | 35,538 | 35,179 | 34,280 |
| Effect of dilutive share-based awards | — | — | 388 |
| Dilutive weighted average shares outstanding | 35,538 | 35,179 | 34,668 |

***Stock Based Compensation***—As described in Note 10, we maintain stock-based compensation plans which allow for the issuance of incentive stock options, or ISOs, as defined in section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), nonstatutory stock options, restricted stock, restricted stock units, stock appreciation rights ("SARs"), deferred stock, dividend equivalent rights, performance awards and stock payments (referred to collectively as Awards), to officers, our key employees, and to members of the Board of Directors. We also maintain an employee stock purchase plan ("ESPP") that provides for the issuance of shares to all of our eligible employees at a discounted price; however, as of December 31, 2008, all shares reserved for issuance under the ESPP had been purchased. Effective January 1, 2006, we adopted SFAS No. 123(R), *Share-Based Payment*. Under the modified prospective method of adoption, compensation expense related to share-based awards is recognized beginning in 2006. There was no cumulative effect of adopting SFAS No. 123(R).

*New Accounting Pronouncements*

***SFAS No. 157***— In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*, to eliminate the diversity in practice that exists due to the different definitions of fair value and the limited guidance for applying those definitions in GAAP that are dispersed among the many accounting pronouncements that require fair value measurements. SFAS No. 157 will apply to fiscal years beginning after November 15, 2007. In November 2007, the FASB provided a one year deferral for the implementation of SFAS No. 157 for other nonfinancial assets and liabilities. We adopted SFAS No. 157, which had no material impact on our consolidated financial statements.

***FSP No. 157-2***— In February 2008, the FASB issued Staff Position No. 157-2, *Effective Date of FASB Statement No. 157*, which delayed the effective date of fair value measurements for nonfinancial assets and liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis. We do not expect that FSP No. 157-2 will have a material impact to our consolidated financial statements.

***SFAS No. 159***— In February 2007, the FASB issued SFAS No. 159, *Establishing the Fair Value Option for Financial Assets and Liabilities*, to permit all entities to choose to elect to measure eligible financial instruments at fair value. SFAS No. 159 applies to fiscal years beginning after November 15, 2007, with early adoption permitted for an entity that has also elected to apply the provisions of SFAS No. 157. An entity is prohibited from retrospectively applying SFAS No. 159, unless it chooses early adoption. We adopted SFAS No. 159 on January 1, 2008, but did not elect the option to apply fair value to any additional financial assets or liabilities that were not already accounted for at fair value. Thus, the result of adopting SFAS No. 159 had no impact to our consolidated financial statements.

***SFAS No. 141(R)*** — In December 2007, the FASB issued SFAS No. 141(R), *Business Combinations*, which replaces SFAS No. 141, *Business Combinations*. SFAS No. 141(R) requires the acquirer of a business to recognize and measure the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree at fair value. SFAS No. 141(R) also requires transactions costs related to the business combination to be expensed as incurred. SFAS No. 141(R) applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. Management does not expect that SFAS No. 141(R) will have a material impact related to future acquisitions, if any, on our consolidated financial statements and does not anticipate a material impact on any past acquisitions.

***SFAS No. 160*** — In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements*. SFAS No. 160 requires all entities to report noncontrolling (minority) interests in subsidiaries as equity in the consolidated financial statements. Its intention is to eliminate the diversity in practice regarding the accounting for transactions between an entity and noncontrolling interests. SFAS No. 160 will apply to

fiscal years and interim periods beginning on or after December 15, 2008. Management does not currently anticipate that SFAS No. 160 will have a material impact on our consolidated financial statements.

*SFAS No. 161* — In March 2008, the FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities - an amendment of FASB Statement No. 133.* SFAS No. 161 amends and expands the disclosure requirements of SFAS No. 133 to provide a better understanding of how and why an entity uses derivative instruments, how derivative instruments and related hedged items are accounted for, and their effect on an entity's financial position, financial performance, and cash flows. SFAS No. 161 is effective for fiscal years and interim periods beginning after November 15, 2008. Management does not expect a material impact due to the adoption of SFAS No. 161 on our consolidated financial statements.

**SFAS No. 132(R)** — In March 2008, the FASB issued SFAS No. 132(R), *Employers' Disclosures about Postretirement Benefit Plan Assets.* The statement requires disclosures of the objectives of postretirement benefit plan assets, investment policies and strategies, categories of plan assets, fair value measurements of plan assets, and significant concentrations of risk. SFAS No. 132(R) is effective for fiscal years and interim periods beginning after December 15, 2009. The adoption of SFAS No. 132(R) is expected to increase our disclosures, but it is not expected to have an impact on our consolidated financial statements.

**Note 2 – Restructuring**

During 2008, in response to the slow commercial vehicle market and the decline of sales, management undertook a review of current operations that led to a comprehensive restructuring plan. On September 22, 2008, we approved a restructuring plan to more appropriately align our workforce in response to the relatively slow commercial vehicle market. On December 15, 2008, we announced additional actions in regards to the restructuring plan that focused on the consolidation of several of our facilities. We recognized restructuring expenses of $12.4 million in accordance with SFAS No. 146, *Accounting for Costs Associated with Exit or Disposal Activities.* On a segment basis, the Company recorded total pre-tax restructuring expenses related to employee severance costs of $3.8 million in the Wheels segment, $1.9 million in the Components segment, $0.1 million in our Other segment, and $2.2 million in unallocated Corporate expenses. The Wheels segment also recognized a pension curtailment of $1.1 million, for which cash payments will not occur until 2010. Corporate impaired investments of $3.1 million. Components segment also recognized losses on other asset disposals of $0.2 million. Of the $12.4 million restructuring expenses recorded during the period, $7.4 million was recorded in cost of goods sold and the remaining $5.0 million was recorded in selling, general and administrative operating expenses.

A summary of the Company's restructuring liability, included as a component of Accrued payroll and compensation, in regards to employee severance costs is, as follows:

| | |
|---|---|
| Balance December 31, 2007 | $ — |
| Severance-related charges | 8,003 |
| Severance-related payments | (3,722) |
| Balance December 31, 2008 | $ 4,281 |

Of the remaining cash liability, $4,145 will be paid during 2009 with the remainder of $136 paid in 2010.

**Note 3 - Inventories**

The inventories at December 31, 2008 and 2007, on a FIFO basis, were as follows:

| | As of December 31, | |
|---|---|---|
| | 2008 | 2007 |
| Raw materials | $ 22,839 | $ 30,267 |
| Work in process | 21,930 | 28,193 |
| Finished manufactured goods | 34,036 | 34,110 |
| Total inventories | $ 78,805 | $ 92,570 |

**Note 4 - Goodwill and Other Intangible Assets**

Under SFAS No. 142, we are required to assess goodwill and any indefinite-lived intangible assets for impairment annually, or more frequently if circumstances indicate impairment may have occurred. The analysis of potential impairment of goodwill requires a two-step approach. The first step is the estimation of fair value of each reporting unit. If step one indicates that impairment potentially exists, the second step is performed to measure the amount of impairment, if any. Goodwill impairment exists when the estimated fair value of goodwill is less than its carrying value.

Due to the significant decline in our stock price resulting from overall economic and industry conditions, we determined that an indicator of impairment existed as of June 30, 2008, and performed a step one analysis. The results indicated that impairments existed in our Components and Other reporting segments. We calculated the fair value of the affected reporting units using a combination of market and income approaches, involving use of quoted market prices, market multiples, and discounted cash flow projections. We calculated the fair value of the affected trade names using a relief from royalty method. We estimated and recorded goodwill and other intangible asset impairment charges of $193.1 million and $19.1 million, respectively, during the three months ended September 30, 2008.

During the three months ended December 31, 2008, we completed our Step Two analysis of the June 30, 2008, impairment. In addition, our annual impairment test was performed as of November 30, 2008. In total we recognized additional goodwill and other intangible asset impairment charges of $57.4 million and $7.4 million, respectively. Such charges are non-cash and do not affect our liquidity, tangible equity or debt covenant ratios.

The changes in the carrying amount of goodwill for the period ended December 31, 2008 by reportable segment, are as follows:

| (in thousands) | Wheels | Components | Other | Corporate | Total |
|---|---|---|---|---|---|
| Balance as of December 31, 2007 | $ 123,199 | $ 243,915 | $ 11,690 | $ — | 378,804 |
| Impairment losses | — | (243,915) | (7,415) | — | (251,330) |
| Balance as of December 31, 2008 | $ 123,199 | $ — | $ 4,275 | $ — | $ 127,474 |

The changes in the carrying amount of other intangibles for the period ended December 31, 2008 by reportable segment, are as follows:

| (in thousands) | Wheels | Components | Other | Corporate | Total |
|---|---|---|---|---|---|
| Balance as of December 31, 2007 | $ — | $ 118,423 | $ 9,860 | $ 587 | 128,870 |
| Additions | — | — | — | 560 | 560 |
| Amortization | — | (4,426) | (385) | (587) | (5,398) |
| Impairment losses | — | (23,270) | (3,280) | — | (26,550) |
| Balance as of December 31, 2008 | $ — | $ 90,727 | $ 6,195 | $ 560 | $ 97,482 |

The summary of goodwill and other intangible assets is as follows:

| | | As of December 31, 2008 | | | As of December 31, 2007 | | |
|---|---|---|---|---|---|---|---|
| | Weighted Average Useful Lives | Gross Amount | Accumulated Amortization & Impairment | Carrying Amount | Gross Amount | Accumulated Amortization & Impairment | Carrying Amount |
| Goodwill | — | $ 378,804 | $ 251,330 | $ 127,474 | $ 378,804 | — | $ 378,804 |
| Other intangible | | | | | | | |
| Non-compete | 3.0 | $ 3,160 | $ 2,599 | $ 561 | $ 2,600 | $ 1,938 | $ 662 |
| Trade names | — | 38,080 | 27,650 | 10,430 | 38,080 | 1,100 | 36,980 |
| Technology | 14.7 | 33,540 | 8,989 | 24,551 | 33,540 | 6,690 | 26,850 |
| Customer | 29.6 | 71,500 | 9,560 | 61,940 | 71,500 | 7,122 | 64,378 |
| | 24.2 | $ 146,280 | $ 48,798 | $ 97,482 | $ 145,720 | $ 16,850 | $ 128,870 |

We estimate that aggregate amortization expense by year as follows:

| | |
|---|---|
| 2009 | $ 4,923 |
| 2010 | $ 4,923 |
| 2011 | $ 4,922 |
| 2012 | $ 4,736 |
| 2013 | $ 4,736 |

**Note 5 - Property, Plant and Equipment**

Property, plant and equipment at December 31, 2008 and 2007 consist of the following:

| | 2008 | 2007 |
|---|---|---|
| Land and land improvements | $ 11,245 | $ 12,760 |
| Buildings | 99,156 | 97,906 |
| Machinery and equipment | 595,570 | 579,263 |
| Property, plant and equipment, gross | 705,971 | 689,929 |
| Less: accumulated depreciation | 447,333 | 410,689 |
| Property, plant and equipment, net | $ 258,638 | $ 279,240 |

During 2006, we changed our estimated lives for certain light wheel assets related to a customer re-sourcing decision. The new depreciation period was selected to correspond with the estimated date of re-sourcing. Due to the acceleration of depreciation, operating income during 2006 and 2007 was reduced by $16.3 million and $12.8 million, respectively. The impacts on earnings per share for 2006 and 2007 were $0.30 and $0.24, respectively.

Depreciation expense for the years ended December 31, 2008, 2007 and 2006 was $40.6 million, $55.9 million and $61.5 million, respectively. In 2008, we recorded a $4.3 million impairment of certain assets in our Piedmont, Alabama facility as a result of a discontinuation of a certain product line. During 2006, we sold our Columbia, Tennessee property for net proceeds of $1.9 million, resulting in a loss of $1.4 million. Also in 2006, we recorded a $2.3 million impairment of tooling assets in our Piedmont, Alabama facility as a result of a discontinuation of a certain product line.

**Note 6 - Debt**

Debt at December 31, 2008 and 2007 consists of the following:

| | 2008 | 2007 |
|---|---|---|
| Term B Facility | $ 294,625 | $ 294,625 |
| Senior Subordinated Notes | 275,000 | 275,000 |
| Revolving Credit Facility | 78,444 | — |
| Industrial Revenue Bond | 3,100 | 3,100 |
| | 651,169 | 572,725 |
| Less current maturities | — | — |
| Total | $ 651,169 | $ 572,725 |

***Bank Borrowing***—In connection with the TTI merger, we entered into a Fourth Amended and Restated Credit Agreement consisting of (1) a term credit facility (the "Term B Loan Facility") in an aggregate principal amount of $550.0 million that will mature on January 31, 2012, and (2) a revolving credit facility (the "Revolver") in an aggregate principal amount of $125.0 million (comprised of a $95.0 million U.S. revolving credit facility and the continuation of a $30.0 million Canadian revolving credit facility) that was scheduled to terminate on January 31, 2010. As of December 31, 2008, $294.6 million was outstanding under the Term B Loan Facility and $78.4 million was outstanding under the Revolver. The Term B Loan Facility requires quarterly amortization payments of $1.4 million that commenced on March 31, 2005, with the balance paid on the maturity date. On March 31, 2005, we prepaid $11.0 million of the Term B Loan Facility future amortization payments without penalty along with the regularly scheduled payment of $1.4 million. On April 26, 2005, we completed an initial public offering of our common stock. Net proceeds from the initial public offering were approximately $89.6 million in 2005. The proceeds from the initial public offering were used to repay a portion of the Term Loan B facility under our term credit facility. This prepayment was not subject to a prepayment penalty.

The interest rates applicable to loans under our senior credit facilities are, at the option of the Company or Accuride Canada, as applicable, a base rate or Eurodollar rate plus, in each case, an applicable margin which is subject to adjustment based on our leverage ratio. The base rate is a fluctuating interest rate equal to the highest of (a) the base rate reported by Citibank, N.A. (or, with respect to the Canadian revolving credit facility, the reference rate of interest established or quoted by Citibank Canada for determining interest rates on U.S. dollar denominated commercial loans made by Citibank Canada in Canada), (b) a reserve adjusted three-week moving average of offering rates for three-month certificates of deposit plus one-half of one percent (0.5%) and (c) the federal funds effective rate plus one-half of one percent (0.5%). At December 31, 2008 and 2007, the interest rates under our bank borrowings were 5.6% and 8.5%, respectively. The obligations under our senior credit facilities are guaranteed by all of our domestic subsidiaries. The loans under the credit facilities are secured by, among other things, a lien on substantially all of our U.S. properties and assets and of our domestic subsidiaries and a pledge of 65% of the stock of our foreign subsidiaries. The loans under the Canadian revolving facility are secured by substantially all of the properties and assets of Accuride Canada. At December 31, 2008 the interest rate under our revolver was 5.8%.

On November 28, 2007, we entered into the first amendment (the "First Amendment") to the Fourth Amended and Restated Credit Agreement, dated as of January 31, 2005. The First Amendment increased interest rates and modified certain financial covenants through 2008, including changes to the leverage, interest coverage and fixed charge coverage ratios. On February 4, 2009, we entered into a second amendment (the "Second Amendment") to the Fourth Amended and Restated Credit Agreement, dated as of January 31, 2005. The Second Amendment increased interest rates and modified certain financial covenants through 2010, including changes to the leverage, interest coverage and fixed charge coverage ratios. The revolving facility termination date was extended to January 31, 2011. (See Note 20.)

***Senior Subordinated Notes***—In connection with the TTI merger, we issued $275.0 million aggregate principal amount of 8½% senior subordinated notes due 2015 (the "Senior Subordinated Notes") in a private placement transaction. That transaction resulted in the repayment of our 9.25% senior subordinated notes due 2008 issued pursuant to an indenture, dated as of January 21, 1998. Interest on the Senior Subordinated Notes is payable on February 1 and August 1 of each year, beginning on August 1, 2005. The Senior Subordinated Notes mature on February 1, 2015 and may be redeemed, at our option, in whole or in part, at any time on or before February 1, 2010 at a price equal to 100% of the principal amount, plus an applicable make-whole premium, and accrued and unpaid interest and special interest if any, to the date of redemption. On or after February 1, 2010, the Senior Subordinated Notes are redeemable at certain specified prices. The Senior Subordinated Notes are general unsecured obligations (1) subordinated in right of payment to all of our and the guarantors' existing and future senior indebtedness, including any borrowings under our senior credit facilities; (2) equal in right of payment with any of the Company's and the guarantors' existing and future senior subordinated indebtedness; (3) senior in right of payment to all of the Company's and the guarantors' existing and future subordinated indebtedness and (4) structurally subordinated to all obligations of our subsidiaries that do not guarantee the outstanding notes. On June 15, 2005, we completed an exchange offer of the Senior Subordinated Notes for substantially identical notes registered under the Securities Act, as amended. As of December 31, 2008, the aggregate principal amount of Registered Senior Subordinated Notes outstanding was $275.0 million.

Under the terms of our credit agreement, there are certain restrictive covenants that limit the payment of cash dividends and establish minimum financial ratios. Our senior credit facilities and the indenture governing our Registered Senior Subordinated Notes restrict our ability to pay dividends. In addition, our senior credit facilities include other more restrictive covenants and prohibit us from prepaying our other indebtedness, including our Registered Senior Subordinated Notes, while borrowings under our senior credit facilities are outstanding. We were in compliance with all such covenants at December 31, 2008, under the Amendment established in February 2009.

We continue to operate in a challenging economic environment and our ability to maintain liquidity and comply with our debt covenants may be affected by economic or other conditions that are beyond our control and which are difficult to predict. The 2009 production forecasts by ACT Publications for the significant commercial vehicle markets that we serve, are as follows:

| | |
|---|---|
| North American Class 8 | 145,000 |
| North American Classes 5-7 | 131,000 |
| U.S. Trailers | 86,000 |

Based on the these production builds, we expect to comply with our debt covenants and believe that our liquidity will be sufficient to fund currently anticipated working capital, capital expenditures, and debt service requirements for at least the next twelve months. However, if our net sales are significantly less than expectations, given the volatility and the calendarization of the production builds as well as the other markets that we serve, or due to the challenging credit markets, we could violate our debt covenants or have insufficient liquidity. In the event of noncompliance, we would pursue an amendment or waiver. However, no assurances can be given that those forecasts will be accurate.

*Interest Rate Instruments*—As of December 31, 2008, we had one interest rate swap agreement outstanding. The agreement was established in December 2007 and the terms with the counterparty are to exchange, at specified intervals, the difference between 3.81% from March 2008 through March 2010, and the variable rate interest amounts calculated by reference to the notional principal amount. The notional principal amounts under the terms are $200 million from March 2008 through March 2009, $150 million from March 2009 through September 2009 and $125 million from September 2009 through March 2010.

Maturities of long-term debt based on minimum scheduled payments based on the provisions under the Second Amendment are as follows:

| | |
|---|---|
| 2009 | $ — |
| 2010 | — |
| 2011 | 78,444 |
| 2012 | 294,625 |
| 2013 | — |
| Thereafter | 278,100 |
| Total | $ 651,169 |

**Note 7 – Supplemental Cash Flows Disclosure**

For the purpose of preparing the consolidated financial statements, we consider all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. During 2008, 2007, and 2006, we recorded non-cash pension liability adjustments, net of tax, of $20.6 million, $14.0 million, and $23.7 million, respectively, as a component of Other Comprehensive Income. We also recorded a non-cash increase in our pension benefit obligation of $20.5 million, net of tax, in 2006, pursuant to the adoption of SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans.*

**Note 8 - Pension and Other Postretirement Benefit Plans**

**A.**

We have funded noncontributory employee defined benefit pension plans that cover substantially all U.S. and Canadian employees (the "plans"). Employees covered under the U.S. salaried plan are eligible to participate upon the completion of one year of service and benefits are determined by their cash balance accounts, which are based on an allocation they earn each year. Employees covered under the Canadian salaried plan are eligible to participate upon the completion of two years of service and benefits are based upon career average salary and years of service. Employees covered under the hourly plans are generally eligible to participate at the time of employment and benefits are generally based on a fixed amount for each year of service. U.S. employees are vested in the plans after five years of service; Canadian hourly employees are vested after two years of service. We use a December 31 measurement date for all of our plans.

In addition to providing pension benefits, we also have certain unfunded health care and life insurance programs for U.S. non-bargained and Canadian employees who meet certain eligibility requirements. These benefits are provided through contracts with insurance companies and health service providers. The coverage is provided on a non-contributory basis for certain groups of employees and on a contributory basis for other groups.

***Obligations and Funded Status:***

| | Pension Benefits | | Other Benefits | |
|---|---|---|---|---|
| | 2008 | 2007 | 2008 | 2007 |
| **Change in benefit obligation:** | | | | |
| Benefit obligation—beginning of year | $ 196,560 | $ 178,788 | $ 61,962 | $ 84,582 |

| | | | | |
|---|---|---|---|---|
| Service cost | 3,221 | 3,717 | 419 | 1,058 |
| Interest cost | 11,280 | 10,300 | 3,626 | 4,345 |
| Actuarial gains | (15,603) | (2,027) | (4,410) | (15,104) |
| Benefits paid | (14,547) | (9,261) | (3,846) | (3,341) |
| Foreign currency exchange rate changes | (15,451) | 13,367 | (2,171) | 1,713 |
| Plan amendment | 19 | — | (1,560) | (11,213) |
| Curtailment | (1,870) | (5,187) | (552) | (702) |
| Special termination benefits | 1,074 | 6,863 | — | — |
| Incurred retiree drug subsidy reimbursements | — | — | 108 | 154 |
| Plan participant's contributions | — | — | 445 | 470 |
| **Benefit obligation—end of year** | 164,683 | 196,560 | 54,021 | 61,962 |
| Accumulated benefit obligation | $ 164,291 | $ 193,984 | — | — |
| **Change in plan assets:** | | | | |
| Fair value of assets—beginning of year | 190,740 | 164,064 | — | — |
| Actual return (loss) on plan assets | (36,497) | 6,247 | — | — |
| Employer contribution | 14,606 | 15,987 | 3,401 | 2871 |
| Plan participant's contribution | — | — | 445 | 470 |
| Benefits paid | (14,547) | (9,261) | (3,846) | (3,341) |
| Foreign currency exchange rate changes | (16,459) | 13,703 | — | — |
| **Fair value of assets—end of year** | 137,843 | 190,740 | — | — |
| **Reconciliation of funded status:** | | | | |
| Unfunded status | $ (26,840) | $ (5,820) | $ (54,021) | $ (61,962) |
| **Amounts recognized in the statement of financial position:** | | | | |
| Prepaid benefit cost | $ 5,100 | $ 5,119 | — | — |
| Accrued benefit liability | (31,941) | (10,939) | $ (54,021) | $ (61,962) |
| Accumulated other comprehensive loss (income) | 64,192 | 38,830 | (29,777) | (24,982) |
| **Net amount recognized** | $ 37,351 | $ 33,010 | $ (83,798) | $ (86,944) |
| **Amounts expected to be recognized in AOCI in the following fiscal year:** | | | | |
| Amortization of net transition (asset)/obligation | $ 9 | | — | |
| Amortization of prior service cost | 248 | | $ (1,575) | |
| Amortization of net (gain)/loss | 2,133 | | (564) | |
| **Total amortization** | $ 2,390 | | $ (2,139) | |

*Components of Net Periodic Benefit Cost:*

| | Pension Benefits | | | Other Benefits | | |
|---|---|---|---|---|---|---|
| | 2008 | 2007 | 2006 | 2008 | 2007 | 2006 |
| Service cost-benefits earned during the year | $ 3,221 | $ 3,717 | $ 4,440 | $ 420 | $ 1,058 | $ 1,381 |
| Interest cost on projected benefit obligation | 11,281 | 10,298 | 9,366 | 3,626 | 4,403 | 4,736 |
| Expected return on plan assets | (14,575) | (13,930) | (12,074) | — | — | — |
| Prior service cost (net) | 388 | 469 | 906 | (1,409) | (841) | (705) |
| Other amortization (net) | 1,835 | 1,847 | 2,431 | (467) | 137 | 538 |
| Net amount charged to income | $ 2,150 | $ 2,401 | $ 5,069 | $ 2,170 | $ 4,757 | $ 5,950 |
| Curtailment charge (gain) and special termination benefits | 901 | 11,085 | 2,413 | — | (739) | 79 |
| Total benefits cost charged to income | $ 3,051 | $ 13,486 | $ 7,482 | $ 2,170 | $ 4,018 | $ 6,029 |
| Recognized in other comprehensive income (loss): | | | | | | |
| Amortization of net transition (asset) obligation | (28) | (82) | | — | — | |
| Prior service (credit) cost | 19 | — | | (1,560) | (11,213) | |
| Amortization of prior service (credit) cost | (942) | (3,042) | | 1,386 | 773 | |

| | | | | |
|---|---|---|---|---|
| Change in net actuarial (gain) loss | 28,023 | 4,464 | (5,088) | (14,984) |
| Amount of net actuarial valuation (gain) loss | (1,820) | (1,830) | 467 | (137) |
| Total (gain) loss recognized in other comprehensive income | 25,252 | (490) | (4,795) | (25,561) |
| Total (gain) loss recognized in total benefits charged to income and other comprehensive income | $ 28,303 | $ 12,996 | $ (2,625) | $ (21,543) |

During 2008, we recorded pre-tax curtailment charge of $1.1 million as a result of a reduction of workforce in our London, Ontario facility. During 2007, we recorded pre-tax curtailment charges and special termination benefits of $9.1 million as a result of a reduction of workforce in our London, Ontario facility. During 2007, we recorded pre-tax curtailment charges of $1.2 million and a $9.8 million reduction of our benefit obligation as a result of an amendment to our post-employment benefit plan at our Erie, Pennsylvania facility. In 2006, an amendment to the pension benefit plan at our Canadian facility resulted in adding $4.5 million to our benefit obligation.

***Actuarial Assumptions:***

Assumptions used to determine benefit obligations as of December 31 were as follows:

| | Pension Benefits | | Other Benefits | |
|---|---|---|---|---|
| | 2008 | 2007 | 2008 | 2007 |
| Average discount rate | 7.11% | 6.04% | 6.96% | 6.36% |
| Rate of increase in future compensation levels | 3.50% | 3.50% | 3.50% | 3.50% |

Assumptions used to determine net periodic benefit cost for the years ended December 31 were as follows:

| | Pension Benefits | | Other Benefits | |
|---|---|---|---|---|
| | 2008 | 2007 | 2008 | 2007 |
| Average discount rate | 6.10% | 5.58% | 6.44% | 5.85% |
| Rate of increase in future compensation levels | 3.50% | 3.50% | 3.50% | 3.50% |
| Expected long-term rate of return on assets | 7.88% | 8.00% | N/A | N/A |

The expected long-term rate of return on assets is determined primarily by looking at past performance. In addition, management considers the long-term performance characteristics of the asset mix.

Assumed health care cost trend rates at December 31 were as follows:

| | 2008 | 2007 |
|---|---|---|
| Health care cost trend rate assumed for next year | 9.00% | 10.00% |
| Rate to which the cost trend rate is assumed to decline | 5.00% | 5.00% |
| Year that the rate reaches the ultimate trend rate | 2012 | 2012 |

The health care cost trend rate assumption has a significant effect on the amounts reported. A one-percentage point change in assumed health care cost trend rates would have the following effects on 2008:

| | 1-Percentage-Point Increase | 1-Percentage-Point Decrease |
|---|---|---|
| Effect on total of service and interest cost | $ 721 | $ (584) |
| Effect on postretirement benefit obligation | $ (5,693) | $ (4,793) |

*Plan Assets:*

Our pension plan weighted-average asset allocations at December 31, 2008 and 2007 were as follows:

| | 2008 | 2007 |
|---|---|---|
| Equity securities | 55% | 64% |
| Debt securities | 39% | 33% |
| Other | 6% | 3% |
| Total | 100% | 100% |

Our investment objectives are (1) to maintain the purchasing power of the current assets and all future contributions; (2) to maximize return within reasonable and prudent levels of risk; (3) to maintain an appropriate asset allocation policy that is compatible with the actuarial assumptions, while still having the potential to produce positive real returns; and (4) to control costs of administering the plan and managing the investments.

Our desired investment result is a long-term rate of return on assets that is at least a 5% real rate of return, or 5% over inflation as measured by the Consumer Price Index for the U.S. plans. The target rate of return for the plans have been based upon the assumption that future real returns will approximate the long-term rates of return experienced for each asset class in our investment policy statement. Our investment guidelines are based upon an investment horizon of greater than five years, so that interim fluctuations should be viewed with appropriate perspective. Similarly, the Plans' strategic asset allocation is based on this long-term perspective.

We believe that the Plans' risk and liquidity posture are, in large part, a function of asset class mix. Our investment committee has reviewed the long-term performance characteristics of various asset classes, focusing on balancing the risks and rewards of market behavior. Based on this and the Plans' time horizon, risk tolerances,

performance expectations and asset class preferences, the following strategic asset allocation was derived:

| | Lower Limit | Strategic Allocation | Upper Limit |
|---|---|---|---|
| Domestic Large Capitalization Equities: | | | |
| Value | 10% | 15% | 20% |
| Growth | 10% | 15% | 20% |
| Index-Passive | 15% | 20% | 25% |
| Domestic Aggressive Growth Equities: | | | |
| International Equities | 5% | 10% | 15% |
| Large-Mid Cap | 5% | 10% | 15% |
| Fixed Income: | | | |
| Domestic | 25% | 30% | 35% |

The allocation of the fund is reviewed periodically. Should any of the strategic allocations extend beyond the suggested lower or upper limits, a portfolio rebalance may be appropriate.

While we use the same methodologies to manage the Canadian plans, the primary objective is to achieve a minimum rate of return of Consumer Price Index plus 3 over 4-year moving periods, and to obtain total fund rates of return that are in the top third over 4-year moving periods when compared to a representative sample of Canadian pension funds with similar asset mix characteristics. The asset mix for the Canadian pension fund is targeted as follows:

| | Minimum | Maximum |
|---|---|---|
| Total Equities | 40% | 65% |
| Foreign Equities | 0% | 50% |
| Bonds and Mortgages | 25% | 50% |
| Short-Term | 0% | 15% |

*Cash Flows*—We expect to contribute approximately $20.8 million to our pension plans and $3.6 million to our other postretirement benefit plan in 2009. Pension and postretirement benefits (which include expected future service) are expected to be paid out of the respective plans as follows:

| | Pension Benefits | Other Benefits |
|---|---|---|
| 2009 | $ 9,308 | $ 3,620 |
| 2010 | $ 9,445 | $ 3,776 |
| 2011 | $ 9,663 | $ 3,927 |
| 2012 | $ 10,819 | $ 4,018 |
| 2013 | $ 11,315 | $ 4,152 |
| 2014 – 2018 (in total) | $ 60,852 | $ 22,094 |

*Other Plans*—We also provide a 401(k) savings plan and a profit sharing plan for substantially all U.S. salaried employees. Select employees may also participate in the Accuride Executive Retirement Allowance Policy and a supplemental savings plan. Expenses recognized in 2008, 2007, and 2006 were $4.3 million, $4.9 million, and $4.3 million, respectively.

**Note 9 – Income Taxes**

The income tax provisions for the years ended December 31 are as follows:

| | 2008 | 2007 | 2006 |
|---|---|---|---|
| Current: | | | |
| Federal | $ 248 | $ (2,274) | $ 5,693 |
| State | 152 | 665 | 1,597 |
| Foreign | 1,266 | 6,928 | 11,657 |
| | 1,666 | 5,319 | 18,947 |
| Deferred: | | | |
| Federal | (40,887) | (4,635) | 12,358 |
| State | (5,809) | (303) | 2,948 |

| | | | |
|---|---|---|---|
| Foreign | (1,235) | (3,240) | (4,131) |
| Valuation allowance | 41,667 | (272) | (1,503) |
| | (6,264) | (8,450) | 9,672 |
| Total | $ (4,598) | $ (3,131) | $ 28,619 |

The foreign component of pretax earnings (losses) before eliminations in 2008, 2007 and 2006 was approximately $(3,209), $17,752, and $27,737 respectively.

A reconciliation of the U.S. statutory tax rate to our effective tax rate (benefit) for the years ended December 31, is as follows:

| | 2008 | 2007 | 2006 |
|---|---|---|---|
| Statutory tax rate | (35.0% | (35.0% | 35.0% |
| State and local income taxes | (0.5) | (4.1) | 1.70 |
| Incremental foreign tax (benefit) | 0.4 | (21.5) | (3.2) |
| Change in valuation allowance | 12.5 | (2.3) | (0.2) |
| Foreign subsidiary dividend | — | 12.4 | — |
| Impairment of goodwill | 23.4 | — | — |
| Change in liability for unrecognized tax benefits | — | 20.6 | — |
| Other items—net | (2.2) | 3.2 | (2.8) |
| Effective tax rate | (1.4% | (26.7% | 30.5% |

Deferred income tax assets and liabilities comprised the following at December 31:

| | 2008 | 2007 |
|---|---|---|
| Deferred tax assets: | | |
| Postretirement and postemployment benefits | $ 19,535 | $ 23,244 |
| Accrued liabilities, reserves and other | 9,654 | 8,569 |
| Debt transaction and refinancing costs | 6,131 | 6,573 |
| Inventories | 4,550 | 3,285 |
| Accrued compensation and benefits | 5,014 | 5,805 |
| Worker's compensation | 3,047 | 2,829 |
| Pension benefit | 11,850 | 1,749 |
| State income taxes | 1,517 | 60 |
| Tax credits | 5,838 | 8,409 |
| Indirect effect of unrecognized tax benefits | 1,205 | 2,688 |
| Loss carryforwards | 35,041 | 8,217 |
| Valuation allowance | (54,423) | (5,702) |
| Total deferred tax assets | 48,959 | 65,726 |
| Deferred tax liabilities: | | |
| Asset basis and depreciation | 17,244 | 15,598 |
| Unrealized foreign exchange gain | 78 | 3,442 |
| Pension costs | — | — |
| Intangible assets | 42,236 | 61,829 |
| Other | — | 79 |
| Total deferred tax liabilities | 59,558 | 80,948 |
| Net deferred tax asset (liability) | (10,599) | (15,222) |
| Current deferred tax asset | 1,955 | 19,422 |
| Long-term deferred income tax asset (liability)—net | $ (12,554) | $ (34,644) |

Our net operating losses, available in various tax jurisdictions at December 31, 2008, will expire beginning 2012 through 2028. In the current year, we have recorded deferred tax assets for additional foreign and state tax credits incurred through 2008, which will expire beginning 2016 through 2023. No net operating loss carryforwards or foreign tax credits will expire in 2009. Realization of deferred tax assets is dependent upon taxable income within the carryforward periods available under the applicable tax laws. Although realization of deferred tax assets in excess of deferred tax liabilities is not certain, during 2008, management has concluded that it is more than likely that we will not realize the full benefit of our U.S. federal tax jurisdiction deferred tax assets due to three cumulative

years of net losses and changes of management's estimate of future earnings, and recorded a valuation allowance against the amounts that are more likely than not to not be recognized during 2008.

During 2008, valuation allowances related to state net operating loss carry forwards and credits were increased by $2.5 million, net. This increase was due to changes in management's estimate of future earnings. During 2007, the valuation allowances related to state net operating loss carry forwards were reduced by $0.3 million, net. This net $0.3 million reduction included an increase of $0.4 million due to changes in management's estimate of future earnings and a reduction of $0.7 million for an adjustment in 2007 to reflect differences in the 2006 tax provision accrual to the tax return.

During 2007, the company completed a tax restructuring of its Mexican operations. This restructuring included the sale of all manufacturing assets and inventory by AdM to the Company and a distribution of cash from AdM to the company. As a result, the company recorded a taxable dividend of $31.0 million, and a corresponding foreign tax credit of $8.3 million. During 2008, the company carried back $2.4 million of the foreign tax credit and recorded a full valuation allowance against the remaining credit.

During 2007 there were income tax law changes in the following jurisdictions in which we are taxable; Canada, Mexico, and Michigan. These changes had an insignificant effect on our financial statements and on our effective tax rate.

No provision has been made for U.S. income taxes related to undistributed earnings of our foreign subsidiaries that we intend to permanently reinvest. At December 31, 2008, Accuride Canada had $19.8 million of cumulative retained earnings and AdM had $9.1 million of cumulative retained earnings.

On January 1, 2007, we adopted FIN 48, *Accounting for Uncertainty in Income Taxes*. The impact of the adoption of FIN 48 on January 1, 2007, was to decrease retained earnings by $2.1 million, increase goodwill by $0.7 million, decrease income taxes payable by $6.1 million, decrease net deferred tax liabilities by $2.7 million, and increase non-current income taxes payable by $11.6 million. A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

| | For years ended December 31, | |
|---|---|---|
| | 2008 | 2007 |
| Balance at January 1 | $ 13,050 | $ 11,566 |
| Additions based on tax positions related to the current year | 224 | 709 |
| Additions for tax positions of prior years | 792 | 3,412 |
| Reductions for tax positions of prior years | (3,312) | — |
| Removal of penalties and interest | (3,892) | — |
| Reductions due to lapse of statute of limitations | (846) | (1,279) |
| Settlements with taxing authorities | (234) | (1,358) |
| Balance at December 31 | $ 5,782 | $ 13,050 |

The total amount of unrecognized tax benefits that would, if recognized, impact the effective income tax rate was approximately $7.1 million as of December 31, 2008. Also included in the balance of unrecognized tax benefits is $2.3 million of tax benefits that, if recognized, would affect other tax accounts.

We also recognize accrued interest expense and penalties related to the unrecognized tax benefits as additional tax expense, which is consistent with prior periods. The total amount of accrued interest and penalties was $2.4 million and $1.6 million respectively, as of December 31, 2008. An increase in interest of $0.1 million was recognized in 2008. The total amount of accrued interest and penalties was approximately $2.3 million and $1.6 million, respectively, as of December 31, 2007.

As of December 31, 2008, we were open to examination in the U.S. federal tax jurisdiction for the 2005-2007 tax years, in Canada for the years of 2000-2007, and in Mexico for the years of 2002-2007. We were also open to examination in various state and local jurisdictions for the 2004-2007 tax years, none of which were individually material. We believe that our accrual for tax liabilities is adequate for all open audit years. This assessment relies on estimates and assumptions and may involve a series of complex judgments about future events.

It is reasonably possible that U.S. federal, state and local, and non-U.S. tax examinations will be settled during the next twelve months. If any of these tax audit settlements do occur within the next twelve months, we would make any necessary adjustments to the accrual for uncertain tax benefits. Until formal resolutions are reached with the tax authorities, the determination of a possible audit settlement range for the impact on uncertain tax benefits is not practicable. On the basis of present information, it is our opinion that any assessments resulting from the current audits will not have a material effect on our consolidated financial statements. The company believes that it is reasonably possible that an increase of up to $0.2 million in unrecognized benefits may be necessary within the coming year. In addition, the company believes that it is reasonably possible that approximately $0.5 million of its currently remaining unrecognized tax positions, each of which are individually insignificant, may be recognized by the end of 2009 as a result of a lapse of the statute of limitations.

**Note 10 – Stock-Based Compensation Plans**

*2005 Incentive Plan*—In connection with the initial public offering in April 2005, we adopted the Accuride Corporation 2005 Incentive Award Plan (the "Incentive Plan"). The Incentive Plan will terminate on the earlier of ten years after it was approved by our stockholders or when our Board of Directors terminates the Incentive Plan. The Incentive Plan provides for the grant of ISOs, as defined in section 422 of the Code, nonstatutory stock options, restricted stock, restricted stock units ("RSUs"), SARs, deferred stock, dividend equivalent rights, performance awards and stock payments (referred to collectively as Awards) to our employees, consultants and directors. The Incentive Plan authorized the issuance of a maximum of 1,633,988 shares of common stock for grants or exercises of Incentive Awards. On June 14, 2007, the Incentive Plan was amended to increase the number of shares available for common stock grants to 3,633,988.

*Employee Stock Purchase Plan*—During 2005, we adopted the Accuride Corporation Employee Stock Purchase Plan ("ESPP"), which is designed to allow our eligible employees and the eligible employees of our participating subsidiaries to purchase shares of common stock, at quarterly intervals, with their accumulated payroll deductions. Under the ESPP, we have reserved 653,595 shares as available to issue to all of our eligible employees as determined by the Board of Directors. The ESPP has quarterly offering periods, however payroll deductions for participants are accumulated during the quarterly offering periods. Effective January 2006, the ESPP allows for shares to be purchased at a price per share equal to 95% of the fair market value per share on the purchase dates. During 2007 and 2008, 45,294 and 115,051 shares were purchased under the ESPP. Funds to purchase an additional 316,054 shares were accumulated during the fourth quarter of 2008 and those shares were issued in January 2009, leaving no further shares available to issue under the ESPP.

Effective January 1, 2006, we adopted SFAS No. 123(R), *Share-Based Payment.* Under the modified prospective method of adoption, compensation expense related to stock options is recognized beginning in 2006. This statement applies to all awards granted after the effective date and to modifications, repurchases, or cancellations of existing awards. Additionally, under the modified prospective method of adoption, we recognize compensation expense for the portion of outstanding awards on the adoption date for which the requisite service period has not yet been rendered based on the grant-date fair value of those awards calculated under SFAS No. 123 and 148 for pro forma disclosures. SFAS No. 123(R) requires that forfeitures be estimated over the vesting period of an award, rather than be recognized as a reduction of compensation expense at the time of the actual forfeiture. Prior to January 1, 2006, we applied APB Opinion No. 25, *Accounting for Stock Issued to Employees*, and related interpretations in accounting for the plans; accordingly, since the grant price of the stock options was at least 100% of the fair value at the date of the grant, no compensation expense was recognized by us in connection with the option grants. Also, as the employee stock purchase plan was considered noncompensatory, no expense related to this plan was recognized.

*Performance Options – We awarded performance options to officers and other key employees under the 2005 Plan. Under these awards, a number of options to acquire shares will vest based upon the attainment of the applicable targets established under our incentive compensation plan approved by the Compensation Committee. Certain outstanding performance options are applicable to performance measurement periods in future fiscal years. Performance options generally have 10-year contractual terms. A summary of performance option activity during the year ended December 31, 2008 is presented below:*

| | Number of Options | Weighted Average Exercise Price | Weighted Average Remaining Actual Term | Aggregate Intrinsic Value |
|---|---|---|---|---|
| Performance options outstanding at December | 294, | 9.2 | | |
| Forfeited | (182,712 | $ 9.17 | | |
| Performance options outstanding at December | 111,536 | $ 9.49 | 6.3 years | — |
| Performance options vested or expected to vest | 111,536 | $ 9.49 | 6.3 years | — |
| Performance options exercisable at December | 111,536 | $ 9.49 | 6.3 years | — |

There is no intrinsic value on performance options outstanding due to the closing price on December 31, 2008 being lower than the strike price of the options.

*Service Options - We granted options to officers, other key employees, and members of our Board of Directors under the 2005 Plan as consideration for service. Options granted generally have 10-year contractual terms. A summary of service option activity during the year ended December 31, 2008 is presented below:*

| | Number of Options | Weighted Average Exercise Price | Weighted Average Remaining Actual Term | Aggregate Intrinsic Value |
|---|---|---|---|---|
| Service options outstanding at December 31, | 496 | 8.84 | | |
| Granted | 316,054 | $ 0.22 | | |
| Exercised | (13,268 | $ 2.96 | | $ 14 |
| Forfeited | (56,562 | $ 12.01 | | |
| Service options outstanding at December 31, | 742,961 | $ 5.04 | 3.7 years | $ — |
| Service options vested or expected to vest | 742,961 | $ 5.04 | 3.7 years | $ — |
| Service options exercisable at December 31, | 719,291 | $ 4.85 | 3.7 years | $ — |

*Restricted Stock Units - We grant RSUs to officers and other key employees under the Incentive Plan as consideration for service. RSUs granted generally vest over a three and one-half year period. A summary of RSU activity under the Incentive Plan during the year ended December 31, 2008 is presented below:*

| | Number of RSUs | Weighted Average Grant-date Fair Value | Weighted Average Remaining Vesting Period |
|---|---|---|---|

| | | | | |
|---|---|---|---|---|
| RSUs unvested at December 31, 2007 | 237,597 | | 5.89 | |
| Granted | 332,929 | $ | 3.57 | |
| Vested | (114,114 | $ | 5.28 | |
| Forfeited | (226,539 | $ | 4.41 | |
| RSUs unvested at December 31, 2008 | 229,873 | $ | 4.29 | 1.6 years |
| RSUs expected to vest | 183,898 | $ | 4.29 | 1.6 years |

The awards granted during 2008 vest in installments of 10%, 20%, 30%, and 40% over a three and one-half year period beginning in the year of each grant.

*Stock Appreciation Rights* - ***We grant SARs to officers, other key employees, and members of our Board of Directors under the Incentive Plan as consideration for service. SARs granted generally cliff vest at the end of a three and one-half year period and have 10-year contractual terms. Our SARs are also applicable to performance measurement periods in fiscal years with a performance-acceleration clause that could allow for 25% vesting on December 31 of each of the first four year-ends following the date of the grant if certain performance targets (that are normally established at the beginning of each year) are met. A summary of SAR activity under the Incentive Plan during the year ended December 31, 2008 is presented below:***

| | **Number of SARs** | | **Weighted Average Exercise Price** | **Weighted Average Remaining Actual Term** | **Aggregate Intrinsic Value** |
|---|---|---|---|---|---|
| SARs outstanding at December 31, 2007 | 729,481 | | 13.06 | | |
| Granted | 660,456 | $ | 7.10 | | |
| Exercised | — | | — | | |
| Forfeited | (571,961 | $ | 10.46 | | |
| SARs outstanding at December 31, 2008 | 817,976 | $ | 10.07 | 9.5 years | — |
| SARs vested or expected to vest | 654,381 | $ | 10.07 | 9.5 years | — |
| SARs exercisable at December 31, 2008 | — | | — | — | — |

Included in the 2008 grants are 495,342 SARs, less forfeitures, that are applicable to performance measurement periods in future fiscal years and will be measured at fair value when the performance targets are established in future fiscal years. The remaining 165,114 SARs, less forfeitures, will vest on December 31, 2011, since performance targets established for 2008 were not achieved. There is no intrinsic value on the SARs outstanding due to the closing price on December 31, 2008 being lower than the strike price of the SARs.

We granted 250,000 shares of restricted common stock of the Company, which we anticipate will vest in 2009.

*In determining the estimated fair value of our share-based awards as of the grant date, we used the Black-Scholes option-pricing model with the assumptions illustrated in the table below:*

| | For The Years Ended December 31, | | |
|---|---|---|---|
| | 2008 | 2007 | 2006 |
| *Expected Dividend Yield* | *0.0%* | *0.0%* | *0.0%* |
| *Expected Volatility in Stock Price* | *41.3%* | *41.6%* | *43.6%* |
| *Risk-Free Interest Rate* | *3.6%* | *5.1%* | *5.0%* |
| *Expected Life of Stock Awards* | *6.2* | *6.3* | *7.0* |
| *Weighted-Average Fair Value at Grant Date* | *$3.26* | *$7.39* | *$6.08* |

The expected volatility is based upon volatility of comparable industry Company common stock that has been traded for a period commensurate with the expected life. The expected term of options granted is derived from historical exercise and termination patterns, and represents the period of time that options granted are expected to be outstanding. The risk-free rate used is based on the published U.S. Treasury yield curve in effect at the time of grant for instruments with a similar life. The dividend yield is based upon the most recently declared quarterly dividend as of the grant date.

Compensation expense recorded during 2008, 2007, and 2006 was $2.4 million, $2.7 million, and $1.5 million, respectively. Compensation expense for unvested instruments as of December 31, 2008, of approximately $2.8 million will be recognized over a weighted period of 1.3 years. The tax benefit (cost) recognized during 2008, 2007, and 2006 was approximately ($1.6) million, $1.3 million, and $2.1 million, respectively.

**Note 11 – Commitments**

We lease certain plant, office space, and equipment for varying periods. Management expects that in the normal course of business, expiring leases will be renewed or replaced by other leases. Purchase commitments related to fixed assets at December 31, 2008 totaled $1.5 million. Rent expense for the years ended December 31, 2008, 2007, and 2006 was $9.1 million, $6.5 million and $6.8 million, respectively. Future minimum lease payments for all non-cancelable operating leases having a remaining term in excess of one year at December 31, 2008, are as follows:

| | |
|---|---|
| 2009 | 9,491 |
| 2010 | 8,244 |
| 2011 | 4,585 |
| 2012 | 2,822 |
| 2013 | 1,791 |
| Thereafter | 8,806 |
| Total | $ 35,739 |

**Note 12 – Segment Reporting**

Based on our continual monitoring of the long-term economic characteristics, products and production processes, class of customer, and distribution methods of our operating segments, we determined our seven operating segments aggregate into three reportable segments: Wheels, Components, and Other. All of our segments design, manufacture and market products to the commercial vehicle industry. The Wheels segment's products consist of wheels for heavy- and medium-duty trucks and commercial trailers. The Components segment's products consist of truck body and chassis parts, wheel-end components and assemblies, and seats. The Other segment's products primarily consist of other commercial vehicle components, including steerable drive axles and gearboxes. We believe this segmentation is appropriate based upon management's operating decisions and performance assessment. The accounting policies of the reportable segments are the same as described in Note 1, "Significant Accounting Policies".

| | 2008 | 2007 | 2006 |
|---|---|---|---|
| Net sales: | | | |
| Wheels | $ 391,433 | $ 477,115 | $ 678,499 |
| Components | 492,025 | 491,324 | 681,371 |
| Other | 47,951 | 45,247 | 48,285 |
| Consolidated total | $ 931,409 | $ 1,013,686 | $ 1,408,155 |
| Operating income (loss): | | | |
| Wheels | $ 55,673 | $ 60,078 | $ 106,128 |
| Components | (296,143) | (2,583) | 65,548 |
| Other | (1,672) | 7,527 | 8,123 |
| Corporate | (34,501) | (35,426) | (36,360) |
| Consolidated total | $ (276,643) | $ 29,596 | $ 143,439 |
| Total assets: | | | |
| Wheels | $ 191,435 | $ 188,288 | |
| Components | 285,966 | 578,158 | |
| Other | 38,064 | 45,466 | |
| Corporate | 293,085 | 301,722 | |
| Consolidated total | $ 808,550 | $ 1,113,634 | |

Included in 2008 operating income (loss) are goodwill and other intangible asset impairments in our Components and Other reportable segments of $267.2 million and $10.7 million, respectively.

*Geographic Segments*—Our operations in the United States, Canada, and Mexico are summarized below:

| For Year Ended Dec. 31, 2008 | United States | Canada | Mexico | Eliminations | Combined |
|---|---|---|---|---|---|
| Net sales: | | | | | |
| Sales to unaffiliated customers—domestic | $ 761,319 | $ 10,553 | $ 43,658 | $ — | $ 815,530 |
| Sales to unaffiliated customers—export | 102,267 | — | 13,612 | — | 115,879 |
| Total | $ 863,586 | $ 10,553 | $ 57,270 | $ — | $ 931,409 |
| Long-lived assets | $ 569,776 | $ 50,188 | $ 9,003 | $ (128,176) | $ 500,791 |

| For Year Ended Dec. 31, 2007 | United States | Canada | Mexico | Eliminations | Combined |
|---|---|---|---|---|---|
| Net sales: | | | | | |
| Sales to unaffiliated customers—domestic | $ 812,748 | $ 12,748 | $ 48,664 | $ — | $ 874,160 |
| Sales to unaffiliated customers—export | 130,894 | — | 8,632 | — | 139,526 |
| Total | $ 943,642 | $ 12,748 | $ 57,296 | $ — | $ 1,013,686 |
| Long-lived assets | $ 851,416 | $ 66,520 | $ 10,509 | $ (128,176) | $ 800,269 |

| For Year Ended Dec. 31, 2006 | United States | Canada | Mexico | Eliminations | Combined |
|---|---|---|---|---|---|
| Net sales: | | | | | |
| Sales to unaffiliated customers—domestic | $ 1,140,182 | $ 15,973 | $ 48,218 | $ — | $ 1,204,373 |
| Sales to unaffiliated customers—export | 192,785 | — | 10,997 | — | 203,782 |
| Total | $ 1,332,967 | $ 15,973 | $ 59,215 | $ — | $ 1,408,155 |
| Long-lived assets | $ 884,501 | $ 82,611 | $ 28,038 | $ (160,203) | $ 834,947 |

Each geographic segment made sales to each of the three major customers in 2008 that each exceed 10% of total net sales for the years ended December 31. Sales to those customers are as follows:

| | 2008 | | 2007 | | 2006 | |
|---|---|---|---|---|---|---|
| | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales |
| Customer one | $ 149,229 | 16.0% | $ 168,416 | 16.6% | $ 253,457 | 18.0% |
| Customer two | 140,538 | 15.1% | 167,327 | 16.5% | 250,460 | 17.8% |

| | | | | | | |
|---|---|---|---|---|---|---|
| Customer three | 131,047 | 14.1% | 136,578 | 13.5% | 221,733 | 15.7% |
| | $ 420,814 | 45.2% | $ 472,321 | 46.6% | $ 725,650 | 51.5% |

Sales by product grouping for the years ended December 31 are as follows:

| | 2008 | | 2007 | | 2006 | |
|---|---|---|---|---|---|---|
| | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales |
| Wheels | $ 391,867 | 42.1% | $ 477,115 | 47.1% | $ 678,499 | 48.2% |
| Wheel-end components and assemblies | 211,915 | 22.8% | 199,235 | 19.7% | 290,662 | 20.6% |
| Truck body and chassis parts | 111,160 | 11.9% | 137,002 | 13.5% | 197,902 | 14.1% |
| Seating assemblies | 39,784 | 4.3% | 52,087 | 5.1% | 77,974 | 5.5% |
| Other components | 176,683 | 18.9% | 148,247 | 14.6% | 163,118 | 11.6% |
| | $ 931,409 | 100% | $ 1,013,686 | 100.0% | $ 1,408,155 | 100.0% |

**Note 13 – Financial Instruments**

We have determined the estimated fair value amounts of financial instruments using available market information and other appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. SFAS No. 157 establishes a fair value hierarchy for those instruments measured at fair value that distinguishes between assumptions based on market data (observable inputs) and our own assumptions (unobservable inputs). Determining which category an asset or liability falls within the hierarchy requires significant judgment. We evaluate our hierarchy disclosures each quarter.

The hierarchy consists of three levels:

| | |
|---|---|
| Level 1 | Quoted market prices in active markets for identical assets or liabilities; |
| Level 2 | Inputs other than Level 1 inputs that are either directly or indirectly observable; and |
| Level 3 | Unobservable inputs developed using estimates and assumptions developed by us, which reflect those that a market participant would use. |

The carrying amounts of cash and cash equivalents, trade receivables, and accounts payable approximate fair value because of the relatively short maturity of these instruments. The carrying amounts and related estimated fair values for our remaining financial instruments as of December 31, 2008 are as follows:

| | | Fair Value | | | |
|---|---|---|---|---|---|
| | Carrying Amount | Level 1 | Level 2 | Level 3 | Total |
| **Assets** | | | | | |
| Marketable securities | $ 5,000 | | | $ 5,000 | $ 5,000 |
| Foreign exchange forward contracts | $ 843 | | $ 843 | | $ 843 |
| **Liabilities** | | | | | |
| Interest rate swap contracts | $ 4,415 | | $ 4,415 | | $ 4,415 |
| Total debt | $ 651,169 | | $ 358,880 | | $ 358,880 |

The fair value related to marketable securities has been determined by evaluating other similar securities. Fair values relating to derivative financial instruments reflect the estimated amounts that we would receive or pay to terminate the contracts at the reporting date based on quoted market prices of comparable contracts as of the balance sheet date. The fair value of our long-term debt has been determined on the basis of the specific securities issued and outstanding. All of our long-term debt instruments have variable interest rates except for the senior subordinated notes, which have a fixed interest rate of 8.50%.

Our Level 3 assets consist of municipal bonds with an auction reset feature ("auction rate securities") whose underlying assets are generally student loans which are substantially backed by the federal government. In February 2008, auctions began to fail for these securities and each auction since then has failed. Based on the overall

failure rate of these auctions, the frequency of the failures, and the underlying maturities of the securities (40 years), we have classified auction rate securities as long-term assets on our balance sheet.

The following table provides a summary of changes in fair value of our Level 3 assets for the twelve months ended December 31, 2008:

| | Twelve Months Ended December 31, 2008 |
|---|---|
| Beginning balance | — |
| Purchase of securities | $ 5,000 |
| Unrealized gain (loss) recognized | — |
| Net settlements | — |
| Ending balance | $ 5,000 |

**Note 14 – Related Transactions**

In connection with the TTI merger, we entered into a management services agreement ("Management Services Agreement") with KKR and Trimaran Fund Management L.L.C. ("TFM"), pursuant to which we retained KKR and TFM to provide management, consulting and financial services to Accuride of the type customarily performed by investment companies to our portfolio companies. In exchange for such services, we agreed to pay an annual fee in the amount equal to $665,000 to KKR and $335,000 to TFM. In addition, we agreed to reimburse KKR and TFM, and their respective affiliates, for all reasonable out-of-pocket expenses incurred in connection with such retention, including travel expenses and expenses of legal counsel. During 2007, we terminated the Management Services Agreement with respect to both KKR and TFM when each party no longer had the right to appoint one or more members to our Board of Directors pursuant to the terms of the Shareholder Rights Agreement that we entered in connection with the TTI merger. During 2007, payments related to these agreements totaled $0.3 million for KKR. There were no payments to TFM due to the termination of the agreement at the beginning of 2008.

**Note 15 – Quarterly Data (unaudited)**

The following table sets forth certain quarterly income statement information for the years ended December 31, 2008 and 2007:

| | 2008 | | | | |
|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Total |
| | (Dollars in thousands, except per share data) | | | | |
| Net sales | $ 238,210 | $ 244,919 | $ 239,487 | $ 208,793 | $ 931,409 |
| Gross profit(1) | 12,269 | 21,350 | 11,888 | 10,093 | 55,600 |
| Operating expenses | 13,654 | 12,761 | 14,807 | 13,980 | 55,202 |
| Impairment charges | — | — | 212,220 | 64,821 | 277,041 |
| Income (loss) from operations | (1,385) | 8,589 | (215,139) | (68,708) | (276,643) |
| Other expense (2) | (16,768) | (7,551) | (12,082) | (19,820) | (56,221) |
| Net income (loss) | (11,741) | 3,375 | (201,179) | (118,721) | (328,266) |
| Basic income (loss) per share | $ (0.33) | $ 0.10 | $ (5.67) | $ (3.32) | $ (9.24) |
| Diluted income (loss) per share | $ (0.33) | $ 0.10 | $ (5.67) | $ (3.32) | $ (9.24) |

| | 2007 | | | | |
|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Total |
| | (Dollars in thousands, except per share data) | | | | |
| Net sales | $ 325,430 | $ 245,133 | $ 220,580 | $ 222,543 | $ 1,013,686 |
| Gross profit(1) | 24,116 | 28,454 | 13,291 | 20,633 | 86,494 |
| Operating expenses | 15,051 | 14,223 | 13,690 | 13,934 | 56,898 |
| Income (loss) from operations | 9,065 | 14,231 | (399) | 6,699 | 29,596 |
| Other expense (2) | (11,945) | (8,050) | (9,091) | (12,280) | (41,366) |
| Net income (loss) | (1,884) | 4,893 | (1,220) | (10,428) | (8,639) |
| Basic income (loss) per share | $ (0.05) | $ 0.14 | $ (0.03) | $ (0.29) | $ (0.25) |

| | | | | | | |
|---|---|---|---|---|---|---|
| Diluted income (loss) per share ... | $ (0.05) | $ 0.14 | $ (0.03) | $ (0.29) | $ (0.25) | |

(1) Impacting gross profit in 2007 were increases in revenue of $10.6 million as a result of a 2006 resolution of a commercial dispute with a customer, accelerated depreciation expense of certain Wheel assets of $12.8 million, severance and other benefit charges of $15.5 million at our London, Ontario facility, and other non-cash post-employment benefit curtailment charges of $1.2 million in the third quarter of 2007 at our Erie, Pennsylvania facility. Gross profit for 2008 was impacted by $7.7 million of costs related to a labor disruption at our Rockford, Illinois, facility, a $7.4 million charge for restructuring that was primarily severance-related, $3.1 million non-cash charge for the loss on a sale of assets at our Anniston, Alabama, facility, and $2.8 million in other severance charges unrelated to our restructuring activities.

(2) Included in other expense are interest income, interest expense, and other income (expense), net. During the fourth quarter of 2007, we incurred fees of $1.6 million related to the amendment to our credit agreement (see Note 6).

**Note 16 – Valuation and Qualifying Accounts**

The following table summarizes the changes in our valuation and qualifying accounts:

| | Balance at Beginning of Period | Additions due to Acquisition | Charges (credits) to Cost and Expenses | Recoveries | Write-Offs | Balance at end of Period |
|---|---|---|---|---|---|---|
| Reserves in Accounts Receivable: | | | | | | |
| December 31, 2006(1) ..... | 1,877 | 104 | 1,084 | 4 | (942) | 2,127 |
| December 31, 2007 ..... | 2,127 | — | (62) | (436) | (168) | 1,461 |
| December 31, 2008 ..... | 1,461 | — | 1,023 | 59 | (800) | 1,743 |

(1) Addition due to acquisition of AOT in 2006.

**Note 17 - Contingencies**

We are from time to time involved in various legal proceedings of a character normally incident to our business. We do not believe that the outcome of these proceedings will have a material adverse effect on our consolidated financial condition or results of our operations.

Our operations are subject to federal, state and local environmental laws, rules and regulations. Pursuant to our Recapitalization on January 21, 1998, we were indemnified by PDC with respect to certain environmental liabilities at our Henderson and London facilities, subject to certain limitations. Pursuant to the AKW acquisition agreement on April 1, 1999, in which Accuride purchased Kaiser Aluminum and Chemical Corporation's ("Kaiser") 50% interest in AKW, we have been indemnified by Kaiser with respect to certain environmental liabilities relating to the facilities leased by AKW (the "Erie Lease"). On February 12, 2002, Kaiser filed a voluntary petition in the United States Bankruptcy Court for the District of Delaware for reorganization under Chapter 11 of the United States Bankruptcy Code, which could limit our ability to pursue indemnification claims, if necessary, from Kaiser. Management does not believe that the outcome of any environmental proceedings will have a material adverse effect on the consolidated financial condition or results of our operations.

As of December 31, 2008, we had an environmental reserve of approximately $1.5 million, related primarily to our foundry operations. This reserve is based on current cost estimates and does not reduce estimated expenditures to net present value, but does take into account the benefit of a contractual indemnity given to us by a prior owner of our wheel-end subsidiary. The failure for the indemnitor to fulfill its obligations could result in future costs that may be material. Any cash expenditures required by us or our subsidiaries to comply with applicable environmental laws and/or to pay for any remediation efforts will not be reduced or otherwise affected by the existence of the environmental reserve. We currently anticipate spending approximately $0.2 million per year in 2009 through 2012 for monitoring the various environmental sites associated with the environmental reserve, including attorney and consultant costs for strategic planning and negotiations with regulators and other potentially responsible parties, and payment of remedial investigation costs. Based on all of the information presently available to us, we believe that our environmental reserves will be adequate to cover the future costs related to the sites associated with the environmental reserves, and that any additional costs will not have a material adverse effect on

our financial condition, results of operations or cash flows. However, the discovery of additional sites, the modification of existing or promulgation of new laws or regulations, more vigorous enforcement by regulators, the imposition of joint and several liability as defined in CERCLA or analogous state laws, or other unanticipated events could result in a material adverse effect.

The final Iron and Steel Foundry NESHAP was developed pursuant to Section 112(d) of the Clean Air Act and requires all major sources of hazardous air pollutants to install controls representative of maximum achievable control technology. We believe that our foundry operations are in compliance with the applicable requirements of the Iron and Steel Foundry NESHAP.

Pursuant to the Recapitalization of the Company on January 21, 1998, we were indemnified by PDC with respect to certain environmental liabilities at our Henderson and London facilities, subject to certain limitations. At the Erie, Pennsylvania, facility, we have obtained an environmental insurance policy to provide coverage with respect to certain environmental liabilities. Management does not believe that the outcome of any environmental proceedings will have a material adverse effect on our consolidated financial condition or results of operations.

During the fourth quarter of 2006, we resolved a commercial dispute with Ford. As a result of the resolution, we recognized $10.4 million of revenue in 2006 and $10.6 million in 2007. In addition, cash flow increased by $10.0 million in 2006 and $11.0 million in 2007. Ford re-sourced its Accuride business to another supplier during 2007. In 2007, total sales to Ford were less than 5% of total revenues. See Note 5 for a discussion of accelerated depreciation associated with the light wheel assets as a result of the expected reduction in product sales to Ford.

As of December 31, 2008, we had approximately 2,980 employees, of which 773 were salaried employees with the remainder paid hourly. Unions represent approximately 1,450 of our employees, or 49% of the total. Each of our unionized facilities has a separate contract with the union that represents the workers employed at such facility. The union contracts expire at various times over the next few years with the exception of our union contract that covers the hourly employees at our Monterrey, Mexico, facility, which expires on an annual basis in January unless otherwise renewed. The 2009 negotiations in Monterrey were successfully completed prior to the expiration of our union contract. In 2009, we have contracts expiring at our Brillion, Cuyahoga Falls, Elkhart Plant 2, and London, Ontario facilities. Based on the consolidation of the Cuyahoga Falls operations into our Erie plant, we will be ceasing operations performed by the collective bargaining unit at the Cuyahoga Falls facility and do not anticipate negotiating for a new contract at that location. We do not anticipate that the outcome of the remaining 2009 negotiations will have a material adverse effect on our operating performance or costs.

**Note 18 – Product Warranties**

The Company provides product warranties in conjunction with certain product sales. Generally, sales are accompanied by a 1- to 5-year standard warranty. These warranties cover factors such as non-conformance to specifications and defects in material and workmanship.

Estimated standard warranty costs are recorded in the period in which the related product sales occur. The warranty liability recorded at each balance sheet date in other current liabilities reflects the estimated number of months of warranty coverage outstanding for products delivered times the average of historical monthly warranty payments, as well as additional amounts for certain major warranty issues that exceed a normal claims level. The following table summarizes product warranty activity recorded for the years ended December 31, 2008, 2007, and 2006:

| | 2008 | 2007 | 2006 |
|---|---|---|---|
| Balance—beginning of year | $ 2,360 | $ 1,976 | $ 1,374 |
| Provision for new warranties | 178 | 1,796 | 1,203 |
| Payments | (1,540) | (1,412) | (601) |
| Balance—end of year | $ 998 | $ 2,360 | $ 1,976 |

## Note 19—Guarantor and Non-guarantor Financial Statements

Our Senior Subordinated Notes are fully and unconditionally guaranteed, on a joint and several basis, by substantially all of our 100% owned domestic subsidiaries ("Guarantor Subsidiaries"). The non-guarantor subsidiaries are our foreign subsidiaries. The following condensed financial information illustrates the composition of the combined Guarantor Subsidiaries:

### CONDENSED CONSOLIDATING BALANCE SHEETS

| | December 31, 2008 | | | | |
|---|---|---|---|---|---|
| (in thousands) | Parent | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| **ASSETS** | | | | | |
| Cash | $ 95,630 | $ (1,633) | $ 29,679 | — | $ 123,676 |
| Accounts receivable, net | 21,244 | 202,230 | 4,416 | $ (149,671) | 78,219 |
| Inventories and supplies | 21,278 | 64,506 | 12,056 | (534) | 97,306 |
| Other current assets | 2,449 | 3,465 | 2,644 | — | 8,558 |
| Total current assets | 140,601 | 268,568 | 48,795 | (150,205) | 307,759 |
| Property, plant, and equipment, net | 39,365 | 173,255 | 46,018 | — | 258,638 |
| Goodwill | 66,973 | 52,460 | 8,041 | — | 127,474 |
| Intangible assets, net | 560 | 96,922 | — | — | 97,482 |
| Investment in affiliates | 343,655 | — | — | (343,655) | — |
| Deferred tax assets | — | — | — | — | — |
| Other non-current assets | 10,593 | 1,472 | 5,132 | — | 17,197 |
| TOTAL | $ 601,747 | $ 592,677 | $ 107,986 | $ (493,860) | $ 808,550 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | | | | |
| Accounts payable | $ 10,523 | $ 45,172 | $ 8,242 | — | 63,937 |
| Accrued payroll and compensation | 2,380 | 11,349 | 5,922 | — | 19,651 |
| Accrued interest payable | 12,128 | 9 | 368 | — | 12,505 |
| Accrued and other liabilities | 9,101 | 279,329 | 5,082 | (263,987) | 29,525 |
| Total current liabilities | 34,132 | 335,859 | 19,614 | (263,987) | 125,618 |
| Long term debt, net | 618,069 | 3,100 | 30,000 | — | 651,169 |
| Deferred and long-term income taxes | 6,997 | 13,248 | 1,024 | — | 21,269 |
| Other non-current liabilities | 16,364 | 57,422 | 10,523 | — | 84,309 |
| Stockholders' equity (deficiency) | (73,815) | 183,048 | 46,825 | $ (229,873) | (73,815) |
| TOTAL | $ 601,747 | $ 592,677 | $ 107,986 | $ (493,860) | $ 808,550 |

| | December 31, 2007 | | | | |
|---|---|---|---|---|---|
| (in thousands) | Parent | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| **ASSETS** | | | | | |
| Cash | $ 85,940 | $ (2,474) | $ 7,469 | — | $ 90,935 |
| Accounts receivable, net | 23,485 | 194,935 | 8,222 | $ (139,447) | 87,195 |
| Inventories and supplies | 23,819 | 76,865 | 13,436 | (1,010) | 113,110 |
| Other current assets | 6,952 | 11,836 | 3,337 | — | 22,125 |
| Total current assets | 140,196 | 281,162 | 32,464 | (140,457) | 313,365 |
| Property, plant, and equipment, net | 42,020 | 185,948 | 51,272 | — | 279,240 |
| Goodwill | 66,973 | 303,790 | 8,041 | — | 378,804 |
| Intangible assets, net | 587 | 128,283 | — | — | 128,870 |
| Investment in affiliates | 613,448 | — | — | (612,358) | 1,090 |
| Deferred tax assets | 26,011 | 14,134 | 13,316 | (53,461) | — |
| Other non-current assets | 6,862 | 265 | 5,138 | — | 12,265 |
| TOTAL | $ 896,097 | $ 913,582 | $ 110,231 | $ (806,276) | $ 1,113,634 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | | | | |
| Accounts payable | $ 8,843 | $ 61,478 | $ 9,749 | — | 80,070 |
| Accrued payroll and compensation | 7,442 | 14,227 | 8,787 | — | 30,456 |
| Accrued interest payable | 11,066 | 10 | 29 | — | 11,105 |
| Accrued and other liabilities | 1,367 | 239,177 | 11,344 | (223,565) | 28,323 |
| Total current liabilities | 28,718 | 314,892 | 29,909 | (223,565) | 149,954 |
| Long term debt, net | 569,625 | 3,100 | — | — | 572,725 |
| Deferred and long-term income taxes | 12,790 | 67,991 | 17,239 | (53,461) | 44,559 |
| Other non-current liabilities | 11,164 | 50,950 | 10,482 | — | 72,596 |
| Stockholders' equity | 273,800 | 476,649 | 52,601 | $ (529,250) | 273,800 |
| TOTAL | $ 896,097 | $ 913,582 | $ 110,231 | $ (806,276) | $ 1,113,634 |

## CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS

| | Year ended December 31, 2008 | | | | |
|---|---|---|---|---|---|
| | Parent | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| Net sales | $ 256,180 | $ 667,521 | $ 134,191 | $ (126,483) | $ 931,409 |
| Cost of goods sold | 217,214 | 660,520 | 124,558 | (126,483) | 875,809 |
| Gross profit | 38,966 | 7,001 | 9,633 | — | 55,600 |
| Operating expenses | 39,108 | 15,307 | 787 | — | 55,202 |
| Impairment of goodwill and other intangibles | — | 277,041 | — | — | 277,041 |
| Income (loss) from operations | (142) | (285,347) | 8,846 | — | (276,643) |
| Other income (expense): | | | | | |
| Interest (expense), net | (43,758) | (79) | (7,563) | — | (51,400) |
| Equity in earnings of affiliates | (288,374) | — | — | 288,374 | — |
| Other income (expense), net | (621) | 351 | (4,551) | — | (4,821) |
| Income (loss) before income taxes | (332,895) | (285,075) | (3,268) | 288,374 | (332,864) |
| Income tax provision (benefit) | (4,629) | — | 31 | — | (4,598) |
| Net income (loss) | $ (328,266) | $ (285,075) | $ (3,299) | $ 288,374 | $ (328,266) |

| | Year ended December 31, 2007 | | | | |
|---|---|---|---|---|---|
| | Parent | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| Net sales | $ 297,338 | $ 673,975 | $ 250,582 | $ (208,209) | $ 1,013,686 |
| Cost of goods sold | 265,137 | 641,526 | 228,738 | (208,209) | 927,192 |
| Gross profit | 32,201 | 32,449 | 21,844 | — | 86,494 |
| Operating expenses | 41,977 | 14,015 | 906 | — | 56,898 |
| Income from operations | (9,776) | 18,434 | 20,938 | — | 29,596 |
| Other income (expense): | | | | | |
| Interest (expense), net | (43,927) | (138) | (4,279) | — | (48,344) |
| Equity in earnings of affiliates | 32,787 | — | — | (32,787) | — |
| Other income (expense), net | 5,458 | 441 | 1,079 | — | 6,978 |
| Income (loss) before income taxes | (15,458) | 18,737 | 17,738 | (32,787) | (11,770) |
| Income tax provision (benefit) | (6,819) | — | 3,688 | — | (3,131) |
| Net income (loss) | $ (8,639) | $ 18,737 | $ 14,050 | $ (32,787) | $ (8,639) |

| | Year ended December 31, 2006 | | | | |
|---|---|---|---|---|---|
| | Parent | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| Net sales | $ 461,983 | $ 914,586 | $ 361,219 | $ (329,633) | $ 1,408,155 |
| Cost of goods sold | 406,263 | 807,654 | 326,974 | (329,633) | 1,211,258 |
| Gross profit | 55,720 | 106,932 | 34,245 | — | 196,897 |
| Operating expenses | 41,785 | 10,929 | 744 | — | 53,458 |
| Income from operations | 13,935 | 96,003 | 33,501 | — | 143,439 |
| Other income (expense): | | | | | |
| Interest (expense), net | (46,143) | (101) | (4,666) | — | (50,910) |
| Equity in earnings of affiliates | 118,104 | — | — | (117,483) | 621 |
| Other income (expense), net | 1,156 | 546 | (1,100) | — | 602 |
| Income (loss) before income taxes | 87,052 | 96,448 | 27,735 | (117,483) | 93,752 |
| Income tax provision | 21,919 | — | 6,700 | — | 28,619 |
| Net income | $ 65,133 | $ 96,448 | $ 21,035 | $ (117,483) | $ 65,133 |

## CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS

| | Year ended December 31, 2008 | | | | |
|---|---|---|---|---|---|
| | Parent Company | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Net income (loss) | $ (328,266) | $ (285,075) | $ (3,299) | $ 288,374 | $ (328,266) |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities: | | | | | |
| Depreciation and impairment of PP&E | 7,624 | 29,932 | 6,465 | — | 44,021 |
| Amortization – deferred financing costs | 1,205 | 5 | 25 | — | 1,235 |
| Amortization – other intangible assets | 584 | 4,814 | — | — | 5,398 |
| Loss on disposal of assets | (110) | 3,102 | 168 | — | 3,160 |
| Deferred income taxes | (5,032) | — | (1,232) | — | (6,264) |
| Equity in earnings of subsidiaries and affiliates | 288,374 | — | — | (288,374) | — |
| Non-cash stock-based compensation | 2,434 | — | — | — | 2,434 |
| Impairments of investments | 3,056 | — | — | — | 3,056 |
| Impairments of goodwill and other intangibles | — | 277,041 | — | — | 277,041 |
| Change in other operating items | 6,550 | (8,991) | (8,539) | — | (10,980) |
| Net cash provided by (used in) operating activities | (23,581) | 20,828 | (6,412) | — | (9,165) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Purchases of property, plant, and equipment | (7,966) | (20,340) | (1,379) | — | (29,685) |
| Other | (5,975) | 353 | — | — | (5,622) |
| Net cash used in investing activities | (13,941) | (19,987) | (1,379) | — | (35,307) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | | |
| Net borrowings on revolving debt | 48,444 | — | 30,000 | — | 78,444 |
| Other | (1,232) | — | 1 | — | (1,231) |
| Net cash provided by financing activities | 47,212 | — | 30,001 | — | 77,213 |
| Increase in cash and cash equivalents | 9,690 | 841 | 22,210 | — | 32,741 |
| Cash and cash equivalents, beginning of year | 85,940 | (2,474) | 7,469 | — | 90,935 |
| Cash and cash equivalents, end of year | $ 95,630 | $ (1,633) | $ 29,679 | $ — | $ 123,676 |

| | Year ended December 31, 2007 | | | | |
|---|---|---|---|---|---|
| | Parent Company | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Net income (loss) | $ (8,639) | $ 18,737 | $ 14,050 | $ (32,787) | $ (8,639) |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | | |
| Depreciation and impairment | 5,827 | 29,348 | 20,737 | — | 55,912 |
| Amortization – deferred financing costs | 1,209 | — | 26 | — | 1,235 |
| Amortization and impairment– other intangible assets | 787 | 5,987 | — | — | 6,774 |
| Loss (gain) on disposal of assets | 200 | 128 | 105 | — | 433 |
| Deferred income taxes | (5,210) | — | (3,240) | — | (8,450) |
| Equity in earnings of affiliates | (32,787) | — | — | 32,787 | — |
| Non-cash stock-based compensation | 2,719 | — | — | — | 2,719 |
| Change in other operating items | 61,527 | (23,311) | (5,258) | — | 32,958 |
| Net cash provided by operating activities | 25,633 | 30,889 | 26,420 | — | 82,942 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Purchases of property, plant, and equipment | (4,933) | (29,734) | (1,832) | — | (36,499) |
| Proceeds from sale of property, plant, and equipment | — | 446 | — | — | 446 |
| Other investments, net of cash acquired | (740) | — | — | — | (740) |
| Cash distribution from investment – Trimont | — | 427 | — | — | 427 |
| Net cash used by investing activities | (5,673) | (28,861) | (1,832) | — | (36,366) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | | |
| Net payments on long-term and revolving debt | (70,000) | — | — | — | (70,000) |
| Redemption of capital investment | 46,970 | — | (46,970) | | |
| Proceeds from employee stock option and stock purchase plans | 3,006 | — | — | — | 3,006 |
| Tax benefit from employee stock option exercises | 1,149 | — | — | — | 1,149 |
| Net cash used by financing activities | (18,875) | — | (46,970) | — | (65,845) |
| Increase (decrease) in cash and cash equivalents | 1,085 | 2,028 | (22,382) | — | (19,269) |
| Cash and cash equivalents, beginning of year | 84,855 | (4,502) | 29,851 | — | 110,204 |
| Cash and cash equivalents, end of year | $ 85,940 | $ (2,474) | $ 7,469 | $ — | $ 90,935 |

| | Year ended December 31, 2006 | | | | |
|---|---|---|---|---|---|
| | Parent Company | Guarantor Subsidiaries | Non-guarantor Subsidiaries | Eliminations | Total |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Net income | $ 65,133 | $ 96,448 | $ 21,035 | $ (117,483) | $ 65,133 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | | |
| Depreciation and impairment | 6,105 | 28,415 | 26,977 | — | 61,497 |
| Amortization – deferred financing costs | 1,207 | — | 159 | — | 1,366 |
| Amortization – other intangible assets | 793 | 4,739 | — | — | 5,532 |
| Loss (gain) on disposal of assets | 1,459 | 134 | (42) | — | 1,551 |
| Deferred income taxes | 14,641 | — | (4,969) | — | 9,672 |
| Equity in earnings of affiliates | (118,104) | — | — | 117,483 | (621) |
| Non-cash stock-based compensation | 1,500 | — | — | — | 1,500 |
| Change in other operating items | 147,780 | (106,944) | (35,453) | — | 5,383 |
| Net cash provided by operating activities | 120,514 | 22,792 | 7,707 | — | 151,013 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Purchases of property, plant, and equipment | (4,275) | (29,079) | (8,835) | — | (42,189) |
| Proceeds from sale of property, plant, and equipment | 1,888 | — | — | — | 1,888 |
| Other investments, net of cash acquired | (1,038) | — | — | — | (1,038) |
| Cash distribution from investment – Trimont | — | 544 | — | — | 544 |
| Net cash used by investing activities | (3,425) | (28,535) | (8,835) | — | (40,795) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | | |
| Net payments on long-term and revolving debt | (50,000) | — | (5,000) | — | (55,000) |
| Proceeds from employee stock option and stock purchase plans | 4,535 | — | — | — | 4,535 |
| Tax benefit from employee stock option exercises | 2,139 | — | — | — | 2,139 |
| Payments of costs to issue of shares | (103) | — | — | — | (103) |
| Net cash used by financing activities | (43,429) | — | (5,000) | — | (48,429) |
| Increase (decrease) in cash and cash equivalents | 73,660 | (5,743) | (6,128) | — | 61,789 |
| Cash and cash equivalents, beginning of year | 11,195 | 1,241 | 35,979 | — | 48,415 |
| Cash and cash equivalents, end of year | $ 84,855 | $ (4,502) | $ 29,851 | $ — | $ 110,204 |

**Note 20—Subsequent Events**

On February 4, 2009, we amended our Term Facility and Revolving Credit Facility under our Fourth Amended and Restated Credit Agreement (the "Second Amendment"). On February 4, 2009, Accuride also completed a transaction with an affiliate of Sun Capital, which currently holds approximately $70 million principal amount of Last-Out Loans.

The Second Amendment adjusts certain financial covenants under the Fourth Amended and Restated Credit Agreement from the fourth quarter of 2008 through 2010, including leverage, interest coverage and fixed charge coverage ratios, and extends the maturity date of the Revolving Credit Facility until January 31, 2011. In connection with the Second Amendment, Sun Capital agreed to modify the Last-Out Loans to become last out as to payment to the First-Out Loans. Sun Capital also agreed to modify certain voting provisions and other rights under the Fourth Amended and Restated Credit Agreement as a holder of the Last-Out Loans.

Under the Second Amendment, Accuride re-priced the indebtedness outstanding under the Fourth Amended and Restated Credit Agreement as follows:

- Interest on the First-Out loans and on debt outstanding under the Revolving Credit Facility will accrue at a rate of LIBOR plus 500 basis points, with a LIBOR floor of 300 basis points.

- Until December 31, 2009, interest on the Last-Out Loans will accrue on a payable-in-kind basis ("PIK") at a premium of 500 basis points over the interest rate applicable to the First-Out Loans.

- After December 31, 2009, interest on the Last-Out Loans will accrue on a PIK basis at the same premium over the First-Out Loans described above unless Accuride's liquidity position, as defined in the Second Amendment, exceeds $50 million, in which case interest on the Last-Out Loans will be payable in cash.

- Cash interest on the Last-Out Loans will be payable at a premium of 300 basis points over the interest rate applicable to the First-Out Loans.

In connection with the modification of the Last-Out Loans and pursuant to a Last-Out Debt Agreement, dated February 4, 2009 (the "Last Out Debt Agreement"), that Accuride entered into with Sun Capital, Accuride issued a warrant (the "Warrant") to Sun Capital exercisable for 25 percent of Accuride's fully-diluted common stock. Sun Capital currently owns approximately 9.9 percent of Accuride's outstanding common stock. Fees to be paid in 2009 associated with the Second Amendment are approximately $10.5 million.