

PLAN EXHIBIT D

New Notes Term Sheet

Accuride Corporation

7.5% Senior Convertible Notes due 2020

TERM SHEET

All terms used and not defined in this Term Sheet shall have the meanings set forth in Annex B hereto.

Issuer:	Accuride Corporation, a Delaware corporation (“ <u>Accuride</u> ” or the “ <u>Company</u> ”).
Securities to be Issued:	Accuride will issue senior convertible notes in an aggregate principal amount of US\$140.0 million (the “ <u>Initial Notes</u> ”, and together with the PIK Notes (as defined below), the “ <u>New Notes</u> ”), plus paid-in-kind (“ <u>PIK</u> ”) interest as set forth below. The New Notes shall be convertible into shares of the common stock of reorganized Accuride (the “ <u>New Common Stock</u> ”) as set forth below and have such other terms specified herein.
Maturity Date:	The New Notes will mature ten (10) years from the date of Closing, unless earlier redeemed, repurchased or converted in accordance with the terms set forth herein.
Interest Rate:	<p>Interest on the New Notes will be payable semi-annually in arrears on June 1 and December 1 of each year, starting on December 1, 2010, to holders of record at the close of business on the preceding May 15 and November 15, respectively, 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 “<u>PIK Notes</u>”) shall be convertible into New Common Stock at the same Conversion Price (as defined below) as the New Notes.</p> <p>Interest will accrue on the New Notes from and including the issuance date of the New Notes or from, and including, the last date in respect of which interest has been paid or provided for, as the case may be, to, but excluding, the next interest payment date or maturity date, as the case may be.</p>
Ranking:	The New Notes will be senior unsecured debt obligations of Accuride. The New Notes will rank <i>pari passu</i> 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.

<p>Subsidiary Guarantees:</p>	<p>All of the Domestic Subsidiaries of Accuride (collectively, the “<u>Guarantors</u>”), as primary obligors and not merely as sureties, will jointly and severally irrevocably and unconditionally guarantee, on a senior basis, the performance and full and punctual payment when due, whether at maturity, by acceleration or otherwise, of all obligations of the Company under the Notes and the indenture (the “<u>Indenture</u>”), by and among Accuride, the Guarantors and the trustee under the Indenture (the “<u>Trustee</u>”), whether for payment of principal of or interest on the Notes, expenses, indemnification or otherwise, on the terms set forth in the Indenture by executing the Indenture. As of the date of the Indenture, all Restricted Subsidiaries that are Domestic Subsidiaries and guarantee the Senior Credit Facilities will be Guarantors. Each of the Guarantees will be a general senior unsecured obligation of the relevant Guarantor. The New Notes are structurally subordinated to Indebtedness of Subsidiaries of the Company that do not Guarantee the New Notes.</p> <p>The obligations of each Guarantor under its Guarantee will be limited as necessary to prevent that Guarantee from constituting a fraudulent conveyance under applicable law.</p> <p>If a Guarantee was rendered voidable, it could be subordinated by a court to all other indebtedness (including guarantees and other contingent liabilities) of the applicable Guarantor, and depending on the amount of such indebtedness, a Guarantor's liability on its Guarantee could be reduced to zero.</p> <p>Any Guarantee by a Restricted Subsidiary of the New Notes shall provide by its terms that it shall be automatically and unconditionally released and discharged upon:</p> <p style="padding-left: 40px;">(a) (i) any sale, exchange or transfer (by merger or otherwise) of all of the Company's Capital Stock in such Guarantor (including any sale, exchange or transfer following which the applicable Guarantor is no longer a Restricted Subsidiary) or all or substantially all the assets of such Guarantor, which sale, exchange or transfer is made in compliance with the applicable provisions of the Indenture; (ii) the release or discharge of the guarantee by such Restricted Subsidiary which resulted in the creation of such Guarantee, except a discharge or release by or as a result of payment under such guarantee; (iii) if the Company properly designates any Restricted Subsidiary that is a Guarantor as an Unrestricted Subsidiary; or (iv) exercise of the legal defeasance option or covenant defeasance option as set forth in the Indenture or if Accuride's obligations under the Indenture are discharged in accordance with the terms of the Indenture; and</p> <p style="padding-left: 40px;">(b) such Guarantor has delivered to the Trustee an Officers' Certificate and an opinion of counsel, each stating that all conditions precedent herein provided for relating to such transaction have been complied with.</p>
<p>Conversion/Dividend Participation:</p>	<p>The New Notes shall be convertible at any time before the close of business on the second business day immediately preceding the maturity date of the New Notes, at the option of the holder thereof, in part or in whole, into New Common Stock based on an initial conversion rate (the “<u>Conversion Rate</u>”),</p>

	<p>subject to adjustment, of [_____] shares of New Common Stock per \$1,000 principal amount of notes (which represents an initial conversion price of approximately \$[_____] per share of New Common Stock (the “<u>Conversion Price</u>”)).¹ The Conversion Rate shall be subject to adjustment from time to time as described in the section entitled “Anti-Dilution Protection” below.</p> <p>In addition to the interest otherwise specified herein, there shall be payable additional amounts on the New Notes equal to the aggregate amount of any cash dividends or distributions that would have been paid on the New Common Stock into which the New Notes are then convertible, other than in-kind dividends and distributions (as described below), which shall be distributed to the holders of the New Notes (the “<u>Noteholders</u>”) on an as-converted basis.</p> <p>In-kind dividends and distributions shall include, but not limited to the following:</p> <ul style="list-style-type: none"> (a) Distribution to all or substantially all holders of the New Common Stock of any rights, options or warrants entitling them to purchase or subscribe for the New Common Stock; (b) Distribution to all or substantially all holders of the New Common Stock of shares of capital stock, evidence of indebtedness or other assets or property (other than payment of dividends or distributions in cash) of Accuride and/or any of its subsidiaries; or (c) Distribution of any rights under any rights agreement or any future rights plan (i.e., a poison pill) adopted by Accuride to the extent such rights are traded separately from the New Common Stock.
<p>Voting Rights:</p>	<p>The Noteholders shall be entitled to exercise all the voting rights associated with the New Common Stock on an as-converted basis. Such voting rights shall be granted through the issuance by Accuride to each Noteholder of one (1) share of preferred stock (the “<u>Notes Preferred Stock</u>”) having a number of votes equal to the number of shares of New Common Stock into which the New Notes are then convertible. The New Notes and the Notes Preferred Stock may not be transferred separately.</p>
<p>Adjustments to the Conversion Rate/Anti-Dilution Protection:</p>	<p>The conversion rate in effect at any time, which shall be the Conversion Rate as adjusted in accordance with the terms herein, will be subject to adjustment, without duplication, upon the occurrence of any of the following events:</p> <ul style="list-style-type: none"> (1) If Accuride effects a share split (but only to the extent the Noteholders do not participate therein in accordance with “Conversion/Dividend

¹ If the Holders of Class 10 vote to approve the Plan, then the conversion price will be \$0.75 per share of New Common Stock. If the Holders of Class 10 do not vote to approve the Plan, then the conversion price will be \$0.76 per share of New Common Stock. See Section III.H of the Plan for a more detailed description of the Conversion Price.

Participation”) or share combination with respect to the New Common Stock, the conversion rate will be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{S'}{S_0}$$

where,

CR_0 = the conversion rate in effect immediately prior to the open of business on the effective date of such share split or share combination, as the case may be;

CR' = the conversion rate in effect immediately after the open of business on the effective date of such share split or share combination, as the case may be;

S_0 = the number of shares of the New Common Stock outstanding immediately prior to the open of business on the effective date of such share split or share combination, as the case may be; and

S' = the number of shares of the New Common Stock outstanding immediately after such share split or share combination, as the case may be.

(2) If Accuride issues shares of New Common Stock or any rights, options or warrants (other than the Old Equity Warrants) entitling the holders thereof to purchase or subscribe for shares of New Common Stock or instruments convertible into shares of New Common Stock (but only to the extent the Noteholders do not participate therein in accordance with “Conversion/Dividend Participation”), in each case at a price per share less than the greater of (i) the average of the Closing Sale Prices of the New Common Stock over the 10 consecutive trading-day period ending on the Trading Day immediately preceding the date on which Accuride publicly discloses such issuance or the plan or intention of such issuance and (ii) the Conversion Price, the conversion rate will be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{S_0 + X}{S_0 + Y}$$

CR_0 = the conversion rate in effect immediately prior to the open of business on the Ex-Date for such issuance;

CR' = the conversion rate in effect immediately after the open of business on the Ex-Date for such issuance;

S_0 = the number of shares of New Common Stock outstanding immediately prior to the open of business on the Ex-Date for such issuance;

X = the total number of shares of New Common Stock issued in such transaction or issuable pursuant to such rights, options, warrants or conversion, as applicable; and

Y = the number of shares of New Common Stock equal to the aggregate price payable to purchase shares issued in such transaction or exercise such rights, options, warrants or conversion divided by the greater of (i) the average of the Closing Sale Prices of the New Common Stock over the 10 consecutive trading-day period ending on the Trading Day immediately preceding the date on which Accuride publicly discloses such issuance or the plan or intention of such issuance and (ii) the Conversion Price.

For purposes of this clause (2), in determining whether the New Common Stock or any instrument convertible into shares of New Common Stock is issued at less than the greater of (i) the average of the Closing Sale Prices of the New Common Stock over the 10 consecutive trading-day period ending on the Trading Day immediately preceding the date on which Accuride publicly discloses such issuance or the plan or intention of such issuance and (ii) the Conversion Price, and in determining the aggregate purchase or conversion price payable for such shares of New Common Stock, there shall be taken into account any consideration received by Accuride for such New Common Stock, such rights, options or warrants or such convertible instrument and, with respect to any rights, options, warrants or convertible instrument, any amount payable upon exercise or conversion thereof, with the Fair Market Value of such consideration, if other than cash. If any right, option or warrant is not exercised or converted prior to the expiration of the exercisability or convertibility thereof, the conversion rate shall be readjusted to the conversion rate that would have been in effect if the right, option or warrant had not been issued.

(3) If Accuride or any of its Subsidiaries makes a payment in respect of a tender offer or exchange offer for the New Common Stock, if the cash and value of any other consideration included in the payment per share of New Common Stock exceeds the average of the Closing Sale Prices of the New Common Stock over the 10 consecutive trading-day period commencing on, and including, the trading day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer, the conversion rate will be increased based on the following formula:

$$CR' = CR_0 \times \frac{AC + (SP' \times S')}{S_0 \times SP'}$$

where,

CR₀ = the conversion rate in effect immediately prior to the close of business on the last Trading Day of the 10

consecutive trading-day period commencing on, and including, the Trading Day next succeeding the date such tender or exchange offer expires;

CR' = the conversion rate in effect immediately after the close of business on the last Trading Day of the 10 consecutive trading-day period commencing on, and including, the Trading Day next succeeding the date such tender or exchange offer expires;

AC = the aggregate value of all cash and any other consideration (as determined by Accuride's Board of Directors) paid or payable for shares purchased in such tender or exchange offer;

S₀ = the number of shares of New Common Stock outstanding immediately prior to the date such tender or exchange offer expires;

S' = the number of shares of New Common Stock outstanding immediately after the date such tender or exchange offer expires (after giving effect to such tender offer or exchange offer); and

SP' = the average of the Closing Sale Prices of shares of New Common Stock over the 10 consecutive trading-day period commencing on, and including, the Trading Day next succeeding the date such tender or exchange offer expires.

The adjustment to the conversion rate under this clause (3) will occur at the close of business on the tenth Trading Day immediately following, but excluding, the date such tender or exchange offer expires; *provided* that, for purposes of determining the conversion rate, in respect of any conversion during the 10 Trading Days immediately following, but excluding, the date that any tender or exchange offer expires, references within this clause to 10 consecutive Trading Days shall be deemed replaced with such lesser number of consecutive Trading Days as have elapsed between the date such tender or exchange offer expires and the relevant conversion date.

(4) Upon any issuance of PIK Notes, the conversion rate will be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{S_0 + X_0}{S_0}$$

where,

CR₀ = the conversion rate in effect immediately prior to the

open of business on the date of the issuance of such PIK Notes;

CR' = the conversion rate in effect immediately after the open of business on the date of the issuance of such PIK Notes;

S₀ = the number of shares of the New Common Stock outstanding immediately prior to the open of business on the date of the issuance of such PIK Notes; and

X₀ = the number of shares of the New Common Stock into which such PIK Notes are convertible, without giving effect to the adjustment to the conversion rate of such PIK Notes pursuant to this clause (4).

(5) If Accuride issues shares of New Common Stock upon exercise of the Old Equity Warrants, the conversion rate will be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{S_0 + X}{S_0}$$

CR₀ = the conversion rate in effect immediately prior to the open of business on the Ex-Date for such issuance;

CR' = the conversion rate in effect immediately after the open of business on the Ex-Date for such issuance;

S₀ = the number of shares of New Common Stock outstanding immediately prior to the open of business on the Ex-Date for such issuance; and

X = the total number of shares of New Common Stock issued upon exercise of the Old Equity Warrants.

As used in this section and elsewhere in this Term Sheet, (i) the “Closing Sale Price” of the New Common Stock shall mean, on any given day, the Closing Sale Price reported in composite transactions for the principal U.S. national or regional securities exchange on which shares of the New Common Stock are listed for trading. If shares of the New Common Stock are not listed for trading on a U.S. national or regional securities exchange on the relevant date, the “Closing Sale Price” will be the last quoted bid price for shares of the New Common Stock in the over-the-counter market on the relevant date as reported by the National Quotation Bureau or similar organization or if no Closing Sale Price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices. If shares of the New Common Stock are not so quoted, the “Closing Sale Price” will be Fair Market Value of the New Common Stock; (ii) “Trading Day” means a day

during which (A) trading in shares of the New Common Stock generally occurs, and (B) a Market Disruption Event has not occurred; *provided* that if shares of the New Common Stock are not listed for trading or quotation on or by any exchange, bureau or other organization, “Trading Day” will mean any business day; (iii) the term “Market Disruption Event” means (A) a failure by the primary United States national or regional securities exchange or market on which shares of the New Common Stock are listed or admitted to trading to open for trading during its regular trading session or (B) the occurrence or existence prior to 1:00 p.m., New York City time on any scheduled Trading Day for shares of the New Common Stock for more than one half-hour period in the aggregate during regular trading hours of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant stock exchange or otherwise) in shares of the New Common Stock or in any options, contracts or future contracts relating to the New Common Stock; (iv) the “Ex-Date” is the first date on which shares of the New Common Stock trade on the applicable exchange or in the applicable market, regular way, without the right to receive the issuance, dividend or distribution in question; and (v) “Fair Market Value” means fair market value as determined by (A) the chief executive officer or chief financial officer of Accuride in good faith, if such fair market value is less than \$5.0 million, (B) the Board of Directors in good faith, if such fair market value may exceed \$5.0 million but is less than \$25.0 million, or (C) in writing by an independent investment banking firm of nationally recognized standing, if such fair market value may exceed \$25.0 million.

If Accuride issues rights, options or warrants that are only exercisable upon the occurrence of certain triggering events, then it will not adjust the conversion rate pursuant to items (1) through (4) above until the earliest of these triggering events occurs.

Accuride will not adjust the conversion rate pursuant to clauses (1), (2), (3) or (4) above unless the adjustment would result in a change of at least 1% in the then effective conversion rate. However, Accuride will carry forward any adjustment that it would otherwise have to make and take that adjustment into account in any subsequent adjustment. However, with respect to any New Notes that are subject to conversion, Accuride will give effect to all adjustments that it has otherwise deferred pursuant to this section, and those adjustments will no longer be carried forward and taken into account in any subsequent adjustment on the earlier of (i) the date of the conversion of such New Note, and (ii) the one-year anniversary of the first date upon which an adjustment would otherwise have been made, except to the extent such adjustment has already been made. Adjustments to the conversion rate will be calculated to the nearest 1/10,000th.

To the extent permitted by law and the listing requirements of any stock exchange or market on which shares of the New Common Stock are listed, Accuride may, from time to time, increase the conversion rate by any amount for a period of at least 20 business days or any longer period permitted or required by law, so long as the increase is irrevocable during that period and its Board of Directors determines that the increase is in Accuride’s best interests.

	<p>Accuride will mail a notice of the increase to registered holders at least 15 days before the day the increase commences. In addition, Accuride may, but is not obligated to, also increase the conversion rate as it determines to be advisable in order to avoid or diminish taxes to recipients of certain distributions.</p> <p>The conversion rate will not be adjusted:</p> <ul style="list-style-type: none"> (a) upon the issuance of any of the shares of New Common Stock, restricted stock or restricted stock units, non-qualified stock options, incentive stock options or any other options or rights (including stock appreciation rights) to purchase shares of the New Common Stock pursuant to a management incentive plan approved by Accuride’s post-emergence Board of Directors; (b) upon the issuance of any shares of New Common Stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on the Accuride’s securities and the investment of additional optional amounts in shares of New Common Stock under any plan; (c) upon the issuance of any shares of New Common Stock or shares of New Common Stock pursuant to any option, warrant, right or exercisable, exchangeable or convertible security not described in clause (2) above; (d) for any transactions described in this section in which the Holders of the New Notes participate (as a result of holding the New Notes, and at the same time as holders of New Common Stock participate) in such transactions as if such Holders held a number shares of New Common Stock equal to the Conversion Rate at the time such adjustment would be required, multiplied by the principal amount (expressed in thousands) of New Notes held by such Holder, without having to convert their New Notes. (e) for a change in the par value of the New Common Stock; or (f) for accrued and unpaid interest on the New Notes (including any additional interest other than PIK interest).
<p>Change in the conversion right upon certain reclassifications, business combinations and asset sales:</p>	<p>If Accuride:</p> <ul style="list-style-type: none"> (a) reclassifies the New Common Stock (other than a change only in par value or a change as a result of a split, subdivision or combination of the New Common Stock); (b) is party to a consolidation, merger or binding share exchange; or (c) sells, transfers, leases, conveys or otherwise disposes of all or substantially all of its property or assets; <p>in each case pursuant to which the New Common Stock would be converted into or exchanged for, or would constitute solely the right to receive cash, securities or other property, then, if a holder converts its New Notes on or after the effective date of any such transaction, the Notes will be convertible into, in lieu of the New Common Stock, the same type (in the same proportions) of</p>

	<p>consideration received in the relevant event by holders of the number of shares of New Common Stock into which the New Notes were convertible as of immediately prior to such relevant event.</p>
<p>Increase of the Conversion Rate Upon the Occurrence of a Make-Whole Fundamental Change</p>	<p>If, after the New Common Stock is listed on a National Securities Exchange and prior to maturity date:</p> <ul style="list-style-type: none"> (a) there occurs a sale, transfer, lease, conveyance or other disposition of all or substantially all of Accuride’s property or assets to any “person” or “group” (as those terms are used in Sections 13(d) and 14(d) of the Exchange Act), including any group acting for the purpose of acquiring, holding, voting or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Exchange Act; or (b) there occurs any transaction or series of related transactions (other than a consolidation or merger that constitutes a Listed Stock Business Combination), in connection with which (whether by means of an exchange offer, liquidation, tender offer, consolidation, merger, combination, reclassification, recapitalization, asset sale, lease of assets or otherwise) the New Common Stock are exchanged for, converted into, acquired for or constitute solely the right to receive other securities, other property, assets or cash (any transaction described in this clause and clause (a) above, a “<u>Make-Whole Fundamental Change</u>”); <p>then Accuride will increase the conversion rate as described below for any New Notes surrendered for conversion at any time from, and including, the actual effective date of the Make-Whole Fundamental Change to, and including, the 30th business day after the actual effective date of the Make-Whole Fundamental Change (or, if the Make-Whole Fundamental Change also constitutes a Fundamental Change, as described below, to, and including, the Fundamental Change Repurchase Date for that Fundamental Change (this period, the “<u>Make-Whole Conversion Period</u>”). As used herein, a “<u>National Securities Exchange</u>” means The New York Stock Exchange, the American Stock Exchange or the NASDAQ Market (or any of their respective successors); and a “<u>Listed Stock Business Combination</u>” is a consolidation or merger that satisfies the following conditions: (x) at least 90% of the consideration (other than cash payments for fractional shares or pursuant to statutory appraisal rights) in such consolidation or merger consists of common stock, American depositary shares or receipts and any associated rights listed and traded on a National Securities Exchange (or which will be so listed and traded when issued or exchanged in connection with such consolidation or merger); and (y) as a result of such consolidation or merger, the New Notes become convertible into solely such consideration.</p> <p>In connection with the Make-Whole Fundamental Change, Accuride will increase the conversion rate by reference to the table in <u>Annex A</u> hereto, based on the date when the Make-Whole Fundamental Change becomes effective, which is referred to herein as the “<u>Make-Whole Fundamental Change Effective Date</u>,” and the “<u>Applicable Price</u>.” If the Make-Whole Fundamental Change is a transaction or series of related transactions described in clause (b)</p>

above and the consideration (excluding cash payments for fractional shares or pursuant to statutory appraisal rights) for the New Common Stock in the Make-Whole Fundamental Change consists solely of cash, then the Applicable Price will be the cash amount paid per share of New Common Stock in the Make-Whole Fundamental Change. In all other cases, the Applicable Price will be the average of the Closing Sale Prices per share of New Common Stock for the five (5) consecutive Trading Days immediately preceding, but excluding, the relevant Make-Whole Fundamental Change Effective Date. Accuride will make appropriate adjustments, in its good faith determination, to account for any adjustment to the conversion rate that becomes effective, or any event requiring an adjustment to the conversion rate where the Ex-Date of the event occurs, at any time during those five (5) consecutive Trading Days.

The table in Annex A hereto sets forth the number of additional shares per \$1,000 principal amount of New Notes that will be added to the conversion rate applicable to the New Notes that are converted during the Make-Whole Conversion Period. The increased conversion rate will be used to determine the number of shares of New Common Stock due upon conversion. If an event occurs that requires an adjustment to the conversion rate, Accuride will, on the date it must adjust the conversion rate, adjust each Applicable Price set forth in the first column of the table in Annex A by multiplying the Applicable Price in effect immediately before the adjustment by a fraction:

- (a) whose numerator is the conversion rate in effect immediately before the adjustment; and
- (b) whose denominator is the adjusted conversion rate.

In addition, Accuride will adjust the number of additional shares in the table in Annex A in the same manner which, and for the same events for which it must adjust the conversion rate as described under “Adjustment to the Conversion Rate/Anti Dilution Protection.”

The exact Applicable Price and Make-Whole Fundamental Change Effective Date may not be as set forth in the table in Annex A, in which case:

- (a) if the actual Applicable Price is between two Applicable Prices listed in the table, or the actual Make-Whole Fundamental Change Effective Date is between two Make-Whole Fundamental Change Effective Dates listed in the table, Accuride will determine the number of additional shares by linear interpolation between the numbers of additional shares set forth for the two Applicable Prices, or for the two Make-Whole Fundamental Change Effective Dates based on a 365-

	<p>day year, as applicable;</p> <p>(b) if the actual Applicable Price is greater than \$[_____]² per share (subject to adjustment in the same manner as the “Applicable Prices” in the table), Accuride will not increase the conversion rate; and</p> <p>(c) if the actual Applicable Price is less than \$[_____]³ per share (subject to adjustment in the same manner as the “Applicable Prices” in the table), Accuride will not increase the conversion rate.</p> <p>However, Accuride will not increase the conversion rate as described above to the extent the increase will cause the conversion rate to exceed [_____]⁴ shares per \$1,000 principal amount of notes. Accuride will adjust this maximum conversion rate in the same manner in which, and for the same events for which, Accuride must adjust the conversion rate as described under “Adjustments to the Conversion Rate/Anti-Dilution Protections.”</p> <p>Notwithstanding the foregoing, the sale, transfer, lease, conveyance or other disposition of all or substantially all of Accuride’s property or assets to any of its wholly-owned subsidiaries shall not constitute a Make-Whole Fundamental Change so long as such transaction is not part of a plan or a series of transactions designed to or having the effect of merging or consolidating with, selling, transferring, leasing, conveying or disposing of all or substantially all its properties and assets to any other person or persons.</p> <p>Accuride will mail to registered holders, at their addresses appearing in the security register, notice of, and Accuride will publicly announce, through a reputable national newswire service, the anticipated Make-Whole Fundamental Change Effective Date of any proposed Make-Whole Fundamental Change. Accuride must make this mailing and announcement at least 30 business days before the anticipated Make-Whole Fundamental Change Effective Date. In addition, no later than the fifth business day after the completion of the Make-Whole Fundamental Change, Accuride will deliver an additional notice and announcement announcing such completion.</p>
<p>Right of holders to require Accuride to repurchase the New Notes if a fundamental change occurs</p>	<p>If a fundamental change, as described below, occurs, each holder of New Notes (other than a holder, in the case of clause (a) of the definition of a Change in Control, that is a person or part of a group (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) that is a beneficial owner (as that term is used in Rule 13d-3 under the Exchange Act), directly or indirectly, of more than 50% of the total outstanding voting power of all classes of Accuride’s Voting Stock) may, at its option, require Accuride to repurchase all or a portion of its New notes for cash at a repurchase price equal to 101% of the principal amount of the New Notes to be repurchased, plus any accrued</p>

² To be determined.

³ To be determined.

⁴ To be determined.

and unpaid interest to, but excluding, the Fundamental Change Repurchase Date.

A “Fundamental Change” will be deemed to occur upon the occurrence of a “Change in Control.”

A “Change in Control” generally will be deemed to occur at such time as:

- (d) any “person” or “group” (as those terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than Accuride or its Subsidiaries or their employee benefit plans becomes the “beneficial owner” (as that term is used in Rule 13d-3 under the Exchange Act), directly or indirectly, of more than 50% of the total outstanding voting power of all classes of Accuride’s Voting Stock;
- (e) there occurs a sale, transfer, lease, conveyance or other disposition of all or substantially all of Accuride’s property or assets to any “person” or “group” (as those terms are used in Sections 13(d) and 14(d) of the Exchange Act), including any group acting for the purpose of acquiring, holding, voting or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Exchange Act;
- (f) Accuride consolidates with, or merges with or into, another person or any person consolidates with, or merges with or into, Accuride, unless the persons that “beneficially owned,” directly or indirectly, the shares of Accuride’s Voting Stock immediately prior to such consolidation or merger “beneficially own,” directly or indirectly, immediately after such consolidation or merger, shares of the surviving or continuing corporation’s Voting Stock representing at least a majority of the total outstanding voting power of all outstanding classes of Voting Stock of the surviving or continuing corporation in substantially the same proportion as such ownership immediately prior to such consolidation or merger;
- (g) Accuride is liquidated or dissolved or holders of Accuride’s capital stock approve any plan or proposal for Accuride’s liquidation or dissolution.

If a Fundamental Change occurs, each holder will have the right (except as otherwise described above), at its option, subject to the terms and conditions of the indenture, to require Accuride to repurchase all or a portion of its New Notes not previously called for redemption in integral multiples of \$1,000 principal amount, at a price equal to 101% of the principal amount of the New Notes to be repurchased, plus, except as described below, any accrued and unpaid interest to, but excluding, the Fundamental Change Repurchase Date, as described below. However, if the Fundamental Change Repurchase Date is after a record date for the payment of an installment of interest and on or before the related interest payment date, then the full amount of interest due on that interest payment date will be payable, on that interest payment date, to the holder of record at the close of business on the record date, and the repurchase price (the “Fundamental Change Repurchase Price”) will not include any accrued and unpaid interest.

Accuride must repurchase the New Notes on a date of its choosing (such a date, the “Fundamental Change Repurchase Date”) However, the Fundamental Change Repurchase Date shall be no later than 35 days, and no earlier than 20 days, after the date Accuride mails the relevant notice of the Fundamental Change, as described below.

Within 20 days after the occurrence of a Fundamental Change, Accuride must mail to all registered Noteholders at their addresses shown on the register of the registrar, and to beneficial owners as required by applicable law, a notice regarding the Fundamental Change. Accuride must also publicly release, through a reputable national newswire service, a notice of the Fundamental Change. The notice must state, among other things:

- (a) the events causing the Fundamental Change;
- (b) the date of the Fundamental Change;
- (c) the Fundamental Change Repurchase Date;
- (d) the last date on which a holder may exercise its rights with respect to such Fundamental Change as set forth in this section (the “Fundamental Change Repurchase Right”);
- (e) the Fundamental Change Repurchase Price;
- (f) the names and addresses of the paying agent and the conversion agent;
- (g) the procedures that holders must follow to exercise their Fundamental Change Repurchase Right;
- (h) the conversion rate and, if applicable, any adjustments to the conversion rate that will result from the Fundamental Change; and
- (i) that New Notes with respect to which a holder has delivered a fundamental change repurchase notice (a “Fundamental Change Repurchase Notice”) may be converted, if otherwise convertible, only if the holder withdraws the Fundamental Change Repurchase Notice in accordance with the terms of the indenture.

To exercise the repurchase right, a holder must deliver a written Fundamental Change Repurchase Notice to the paying agent no later than the close of business on the business day immediately preceding the Fundamental Change Repurchase Date. This written notice must state:

- (a) the certificate numbers of the New Notes that the holder will deliver for repurchase, if they are in certificated form;
- (b) the principal amount of the New Notes to be repurchased, which must be an integral multiple of \$1,000; and
- (c) that the New Notes are to be repurchased by Accuride pursuant to the fundamental change provisions of the indenture.

A holder may withdraw any Fundamental Change Repurchase Notice by delivering to the paying agent a written notice of withdrawal prior to the close of business on the business day immediately preceding the Fundamental

Change Repurchase Date. The notice of withdrawal must state:

- (a) the name of the holder;
- (b) a statement that the holder is withdrawing its election to require Accuride to repurchase its New Notes;
- (c) the certificate numbers of the New Notes being withdrawn, if they are in certificated form;
- (d) the principal amount of New Notes being withdrawn, which must be an integral multiple of \$1,000; and
- (e) the principal amount, if any, of the New Notes that remain subject to the Fundamental Change Repurchase Notice, which must be an integral multiple of \$1,000.

If the New Notes are not in certificated form, the above notices must comply with appropriate DTC procedures.

To receive payment of the Fundamental Change Repurchase Price for a New Note for which the holder has delivered and not validly withdrawn a Fundamental Change Repurchase Notice, the holder must deliver the New Note, together with necessary endorsements, to the paying agent at any time after delivery of the Fundamental Change Repurchase Notice. Accuride will pay the Fundamental Change Repurchase Price for the New Note promptly after the later of the Fundamental Change Repurchase Date and the time of delivery of the New Note, together with necessary endorsements.

If the paying agent holds on the Fundamental Change Repurchase Date money sufficient to pay the Fundamental Change Repurchase Price due on all New Notes or portions thereof that are to be repurchased by Accuride in accordance with the terms of the indenture, then, on and after the Fundamental Change Repurchase Date, the New Notes will cease to be outstanding and interest on such New Notes will cease to accrue, whether or not the holders deliver the New Notes to the paying agent. Thereafter, all other rights of the holders terminate, other than the right to receive the Fundamental Change Repurchase Price upon delivery of the New Notes.

In connection with any fundamental change offer, Accuride will, to the extent applicable:

- (h) comply with the provisions of Rule 13e-4 and Regulation 14E and all other applicable laws;
- (i) file a Schedule TO or any other required schedule under the Exchange Act or other applicable laws; and
- (j) otherwise comply with all applicable federal and state securities laws in connection with any offer by Accuride to purchase the New Notes.

No New Notes may be repurchased by Accuride at the option of the holders upon a Fundamental Change if the principal amount of the applicable New Notes has been accelerated, and such acceleration has not been rescinded, on

	or prior to such date.
Optional Redemption	<p>The New Notes shall be redeemable by Accuride, in whole but not in part, at any time on or after the third anniversary of the issuance of the New Notes, at a price equal to 100% of the principal amount of the New Notes to be redeemed, plus, except as described below, any accrued and unpaid interest up to the redemption date; <i>provided</i>, that (i) the New Common Stock is listed on a National Stock Exchange, (ii) the average weekly trading volume of the New Common Stock as reported by such National Stock Exchange during the four week period prior to conversion is equal to or greater than 3.0% of the total number of outstanding shares of New Common Stock immediately prior to conversion and (iii) for twenty of the preceding thirty consecutive trading days, the New Common Stock has had a Closing Sale Price at least equal to 2.25 times the then effective conversion price.⁵</p> <p>If the redemption date falls after a record date and on or prior to the corresponding interest payment date, Accuride will pay the full amount of accrued and unpaid interest due on such interest payment date to the Noteholder of record at the close of business on the corresponding record date. On and after the redemption date, interest will cease to accrue on the New Notes or portions thereof called for redemption as long as Accuride has deposited with the paying agent funds in full satisfaction of the applicable redemption price, together with accrued and unpaid interest thereon to the date of redemption, pursuant to the Indenture.</p> <p>Notice of redemption will be mailed by first-class mail at least 30 but not more than 60 days before the redemption date to each Noteholder to be redeemed at its address appearing in the security register.</p> <p>Accuride may not redeem any New Notes on any date if the principal amount of the New Notes has been accelerated in accordance with the terms of the Indenture, and such acceleration has not been rescinded on or prior to such date.</p>
Affirmative/ Reporting Covenants:	<p>So long as any New Notes are outstanding, Accuride shall:</p> <ul style="list-style-type: none"> (i) duly and punctually pay the principal of and interest on the New Notes in accordance with the terms of the New Notes and the Indenture; (ii) maintain in the City of New York an office or agency where New Notes may be presented or surrendered for payment, where New Notes may be surrendered for registration of transfer or exchange and where notices and demands to or upon Accuride in respect of the New Notes and the indenture may be served. Accuride may also from time to time designate one or more other offices or

⁵ Please refer to Section III.H of the Disclosure Statement.

	<p>agencies (in or outside of the City of New York) where the New Notes may be presented or surrendered for any or all such purposes and may from time to time rescind any such designation; <i>provided, however</i>, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in the City of New York for such purposes;</p> <p>(iii) on or before each due date of the principal of or cash interest on any of the New Notes, (A) if Accuride is acting as its own paying agent, segregate and hold in trust for the benefit of the Persons entitled thereto, or (B) if Accuride has one or more paying agents for the New Notes, deposit with a paying agent a sum sufficient to pay the principal of or interest so becoming due;</p> <p>(iv) preserve and keep in full force and effect its corporate existence and that of each Restricted Subsidiary and the corporate rights (charter and statutory) licenses and franchises of Accuride and each Restricted Subsidiary; <i>provided, however</i>, that Accuride shall not be required to preserve any such existence (except that of Accuride), right, license or franchise if the Board of Directors of Accuride shall determine that the preservation thereof is no longer desirable in the conduct of the business of Accuride and each of its Restricted Subsidiaries, taken as a whole, and that the loss thereof is not, and will not be, disadvantageous in any material respect to the Noteholders;</p> <p>(v) pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (A) all material taxes, assessments and governmental charges levied or imposed upon Accuride or any of its subsidiaries or upon the income, profits or property of Accuride or any of its subsidiaries prior to the date on which material penalties attach thereto and (B) all lawful claims for labor, materials and supplies, which, if unpaid, might by law become a material liability or lien upon the property of Accuride or any of its subsidiaries; <i>provided, however</i>, that Accuride shall not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings and for which appropriate reserves, if necessary (in the good faith judgment of management of Accuride) are being maintained in accordance with GAAP;</p> <p>(vi) cause all material properties owned by Accuride or any Restricted Subsidiary or used or held for use in the conduct of its business or the business of any Restricted Subsidiary to be maintained and kept in normal condition, repair and working order and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of Accuride may be necessary so that the business carried on in connection therewith may be properly conducted at all times; <i>provided, however</i>, that nothing in this clause (vi) shall prevent</p>
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	<p>Accuride or any of its Restricted Subsidiaries from discontinuing the maintenance of any of such properties if such discontinuance is, in the judgment of Accuride, desirable in the conduct of its business or the business of any Restricted Subsidiary and not adverse in any material respect to the Noteholders;</p> <p>(vii) comply with all applicable statutes, rules, regulations, orders and restrictions of the United States of America, all states and municipalities thereof, and of any governmental regulatory authority, in respect of the conduct of their respective businesses and the ownership of their respective properties, except such as may be contested in good faith or as to which a bona fide dispute may exist and except for such noncompliance as would not in the aggregate have a material adverse effect on the financial condition or results of operations of Accuride and its subsidiaries, taken as a whole; and</p> <p>(viii) deliver to the Trustee (without exhibits), within 15 days after it is required to file them with the Securities and Exchange Commission (the “<u>Commission</u>”) copies of: (A) annual reports on Form 10-K (or any successor or comparable form) containing the information required to be contained therein (or required in such successor or comparable form); (B) reports on Form 10-Q (or any successor or comparable form); (C) reports on Form 8-K (or any successor or comparable form); and (D) any other information, documents and other reports which the Company would be required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act; <i>provided, however</i>, if the Company is not obligated to file such reports with the Commission or if the Commission does not permit such filing, Accuride shall make available such information to prospective purchasers of the New Notes, in addition to providing such information to the Trustee and the Noteholders, in each case within 15 days after the time the Company would have been required to file such information with the Commission, if it were subject to Sections 13 or 15(d) of the Exchange Act.</p>
<p>Negative Covenants:</p>	
<p>(a) Limitation on Asset Sales</p>	<p>Accuride shall not, and shall not permit any of its Restricted Subsidiaries to, cause, make or suffer to exist an Asset Sale, unless:</p> <p>(i) the Company, or its Restricted Subsidiaries, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets sold or otherwise disposed of; and</p> <p>(ii) except in the case of a Permitted Asset Swap, at least 75% of the</p>

consideration therefor received by the Company, or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents; *provided* that (a) the amount of any liabilities (as shown on the Company's or such Restricted Subsidiary's most recent balance sheet or in the notes thereto) of the Company or any Restricted Subsidiary, other than liabilities that are by their terms subordinated to the New Notes, that are assumed by the transferee of any such assets and for which the Company and all Restricted Subsidiaries have been validly released by all creditors in writing, (b) any securities, notes or other obligations received by the Company or its Restricted Subsidiaries from such transferee that are converted by the Company or its Restricted Subsidiaries into cash or Cash Equivalents within 270 days following the closing of such Asset Sale, and (c) any Designated Noncash Consideration received by the Company or any Restricted Subsidiary in such Asset Sale having a Fair Market Value, taken together with all other Designated Noncash Consideration received pursuant to this clause (c) that is at the time outstanding not to exceed 10% of Total Assets at the time of receipt such Designated Noncash Consideration (with the Fair Market Value of each item of Designated Noncash Consideration being measured at the time received without giving effect to subsequent changes in value) shall be deemed to be cash for purposes of this provision and for no other purpose.

Within 270 days after the Company's or any Restricted Subsidiary's receipt of the Net Proceeds of any Asset Sale, the Company or such Restricted Subsidiary, at its option, may apply the Net Proceeds from such Asset Sale

- (i) to permanently reduce
 - (A) Obligations under the Senior Credit Facilities, and if the Senior Credit Facilities repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto; or
 - (B) other Pari Passu Indebtedness; and/or
- (ii) to make an investment in (A) any one or more businesses, *provided*, that such investment in any business is in the form of the acquisition of all or substantially all of the assets or any Capital Stock of such business and results in the Company or a Restricted Subsidiary, as the case may be, owning an amount of the Capital Stock of such business such that it constitutes a Restricted Subsidiary, (B) capital expenditures or (C) acquisitions of other assets used or useful in a Similar Business.

Pending the final application of any such Net Proceeds, the Company or such Restricted Subsidiary may temporarily reduce Indebtedness under a revolving credit facility, if any, or otherwise invest such Net Proceeds in Cash Equivalents, Investment Grade Securities or any other manner not prohibited

by the Indenture. Any Net Proceeds from the Asset Sale that are not invested or applied as provided and within the time period set forth in the first sentence of this paragraph will be deemed to constitute “Excess Proceeds.” When the aggregate amount of Excess Proceeds exceeds \$20.0 million, the Company shall make an offer to all Noteholders, and if required by the terms of any Pari Passu Indebtedness, to the holders of such Pari Passu Indebtedness, (an “Asset Sale Offer”) to purchase the maximum principal amount of New Notes and such Pari Passu Indebtedness, that is an integral multiple of \$1,000, that may be purchased out of the Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof, plus accrued and unpaid interest, to the date fixed for the closing of such offer in accordance with the procedures set forth in the Indenture, *provided* that if such Asset Sale Offer is made on or before the date when the last installment of PIK Interest is payable, the offer price with respect to the New Notes shall be in an amount equal to 100% of the principal amount thereof, plus all interest that would be payable and unpaid (whether or not accrued) on the Date when the last installment of PIK Interest is payable. The Company will commence an Asset Sale Offer with respect to Excess Proceeds within ten business days after the date that Excess Proceeds exceeds \$20.0 million by mailing the notice required pursuant to the terms of the Indenture, with a copy to the Trustee. To the extent that the aggregate amount of New Notes and such Pari Passu Indebtedness tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Company may use any remaining Excess Proceeds for general corporate purposes, subject to other covenants contained in the Indenture. If the aggregate principal amount of New Notes or the Pari Passu Indebtedness surrendered by such holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the New Notes and such Pari Passu Indebtedness to be purchased in the manner described under the caption “Selection and Notice” below. Upon completion of any such Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with the repurchase of the New Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations described in the Indenture by virtue thereof.

Selection and Notice

If less than all of the New Notes or such Pari Passu Indebtedness are to be redeemed at any time, selection of such New Notes for redemption or purchase, as the case may be, will be made by the Trustee in compliance with the requirements of the principal national securities exchange, if any, on which such New Notes are listed, or, if such New Notes are not so listed, on a pro rata basis, by lot or by such other method as the Trustee shall deem fair and appropriate (and in such manner as complies with applicable legal requirements); *provided* that no New Notes of \$1,000 or less shall be

	<p>purchased or redeemed in part.</p> <p>Notices of purchase or redemption shall be mailed by first-class mail, postage prepaid, at least 30 but not more than 60 days before the purchase or redemption date to each holder of the Notes to be purchased or redeemed at such Noteholder's registered address. If any note is to be purchased or redeemed in part only, any notice of purchase or redemption that relates to such note shall state the portion of the principal amount thereof that has been or is to be purchased or redeemed.</p> <p>A new note in principal amount equal to the unpurchased or unredeemed portion of any note purchased or redeemed in part will be issued in the name of the Noteholder thereof upon cancellation of the original note. On and after the purchase or redemption date unless the Company defaults in payment of the purchase or redemption price, interest shall cease to accrue on Notes or portions thereof purchased or called for redemption.</p>
<p>(b) Limitation on Restricted Payments</p>	<p>Accuride shall not, and shall not permit any of its Restricted Subsidiaries to:</p> <ul style="list-style-type: none"> (i) directly or indirectly declare or pay any dividend or make any distribution in respect of the Company's or any of its Restricted Subsidiaries' Equity Interests, including any dividend or distribution payable in connection with any merger or consolidation other than: (A) dividends or distributions by the Company payable in Equity Interests (other than Disqualified Stock) of the Company or in options, warrants or other rights to purchase such Equity Interests; or (B) dividends or distributions by a Restricted Subsidiary so long as, in the case of any dividend or distribution payable on or in respect of any class or series of securities issued by a Subsidiary other than a Wholly Owned Subsidiary, the Company or a Restricted Subsidiary receives at least its pro rata share of such dividend or distribution in accordance with its Equity Interests in such class or series of securities; (ii) purchase, redeem, defease or otherwise acquire or retire for value any Equity Interests of the Company or any direct or indirect parent of the Company, including in connection with any merger or consolidation; (iii) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value in each case, prior to any scheduled repayment, sinking fund payment or maturity, any Subordinated Indebtedness; or (iv) make any Restricted Investment; <p>(all such payments and other actions set forth in clauses (i) through (iv) above being collectively referred to as "<u>Restricted Payments</u>"), unless, at the time of such Restricted Payment:</p> <ul style="list-style-type: none"> (A) no Default or Event of Default shall have occurred and be

	<p>continuing or would occur as a consequence thereof;</p> <p>(B) immediately after giving effect to such transaction on a <i>pro forma</i> basis, the Company could incur \$1.00 of additional Indebtedness under the provisions of the first paragraph of “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock”;</p> <p>(C) such Restricted Payment is made after the date of the first cash interest payment; and</p> <p>(D) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the Issuance Date, is less than the sum of:</p> <ol style="list-style-type: none"> (1) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) from the fiscal quarter that first begins after the Issuance Date to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, in the case such Consolidated Net Income for such period is a deficit, minus 100% of such deficit), plus (2) 100% of the aggregate net cash proceeds received by the Company since immediately after the Issuance Date from the issue or sale of (x) Equity Interests of the Company or (y) debt securities of the Company (other than the New Notes) that have been converted into Equity Interests of the Company (other than debt held by a Subsidiary of the Company); <i>provided, however,</i> that this clause (2) shall not include the proceeds from (a) Equity Interests or convertible debt securities of the Company sold to a Restricted Subsidiary or the Company, as the case may be, b) Disqualified Stock or debt securities that have been converted into Disqualified Stock or (c) Excluded Contributions; plus (3) 100% of the aggregate amount received in cash, received by means of (A) the sale or other disposition (other than to the Company or a Restricted Subsidiary) of Restricted Investments made by the Company and its Restricted Subsidiaries and repurchases and redemptions of such Restricted Investments from the Company and its Restricted Subsidiaries by such Person and repayments of loans or advances which constitute Restricted Investments by the Company and its Restricted Subsidiaries or (B) the sale (other than to the Company or a Restricted Subsidiary) of the stock of an Unrestricted Subsidiary or a distribution from an Unrestricted Subsidiary (other than in each case an Unrestricted Subsidiary to the extent the Investment in such Unrestricted Subsidiary was made by the Company or a Restricted Subsidiary and constituted a Permitted Investment) or a dividend from an Unrestricted Subsidiary (to
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	<p>the extent not included in Net Income), plus</p> <p>(4) 100% of the aggregate amount of cash contributed to the capital of the Company following the Issuance Date (other than by a Restricted Subsidiary and other than Excluded Contributions), plus</p> <p>(5) in the case of the redesignation of an Unrestricted Subsidiary as a Restricted Subsidiary, the lesser of (i) the Fair Market Value of the investment in such Unrestricted Subsidiaries at the time of the redesignation of such Unrestricted Subsidiary as a Restricted Subsidiary and (ii) the amount of all Restricted Payments made to such Unrestricted Subsidiary to the extent the Investment in such Unrestricted Subsidiary was made by the Company or a Restricted Subsidiary and constituted a Permitted Investment.</p> <p>The foregoing provisions will not prohibit:</p> <p>(i) the payment of any dividend within 60 days after the date of declaration thereof, if at the date of declaration such payment would have complied with the provisions of the Indenture;</p> <p>(ii) the redemption, repurchase, retirement, defeasance or other acquisition of any Equity Interests (the “Retired Capital Stock”) or Subordinated Indebtedness of the Company in exchange for, or out of the proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary) of, Equity Interests of the Company (other than any Disqualified Stock);</p> <p>(iii) the redemption, repurchase or other acquisition or retirement of Subordinated Indebtedness of the Company made by exchange for, or out of the proceeds of the substantially concurrent sale of, new subordinated Indebtedness of the Company so long as (A) the principal amount of such new Indebtedness does not exceed the principal amount of the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired for value, plus the amount of any premium required to be paid under the terms of the instrument governing the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired, together with all costs and expenses paid in connection thereto; (B) such Indebtedness is subordinated to the Senior Indebtedness and the Notes at least to the same extent as such Subordinated Indebtedness so purchased, exchanged, redeemed, repurchased, acquired or retired for value; (C) such Indebtedness has a final scheduled maturity date equal to or later than the final scheduled maturity date of the New Notes or the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired and (D) such Indebtedness has a Weighted Average Life to Maturity equal to or greater than the remaining</p>
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	<p>Weighted Average Life to Maturity of the New Notes or the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired;</p> <p>(iv) a Restricted Payment to pay for the repurchase, redemption, retirement or other acquisition or retirement for value of common Equity Interests of the Company held by any future, present or former employee, director or consultant (or their heirs or estates) of the Company or any Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any subscription, stockholder or other agreement; <i>provided, however,</i> that the aggregate Restricted Payments made under this clause (iii) does not exceed in any calendar year \$2.5 million and \$15.0 million over the entire term of the Notes; <i>provided further</i> that such amount in any calendar year may be increased by an amount not to exceed (A) the cash proceeds from the sale of Equity Interests of the Company to members of management, directors or consultants (or their heirs or estates) of the Company and its Subsidiaries that occurs after the Issuance Date plus (B) the cash proceeds of key man life insurance policies received by the Company and its Restricted Subsidiaries after the Issuance Date; and <i>provided further</i> that cancellation of Indebtedness owing to the Company from members of management of the Company or any of its Restricted Subsidiaries in connection with a repurchase of Equity Interests of the Company will not be deemed to constitute a Restricted Payment for purposes of this Section or any other provision hereof;</p> <p>(v) any repricing or issuance of employee stock options or the adoption of bonus arrangements, in each case in connection with the issuance of the New Notes, and payments pursuant to such arrangements;</p> <p>(vi) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Company or any Restricted Subsidiary issued in accordance with the Fixed Charge Coverage Ratio test described in “Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock”;</p> <p>(vii) repurchases of Equity Interests deemed to occur upon exercise of stock options, warrants or similar rights if such Equity Interests represent a portion of the exercise price of such options, warrants or similar rights;</p> <p>(viii) payments of cash, dividends, distributions or advances by the Company to allow the payment of cash in lieu of the issuance of fractional shares upon (a) the exercise of options or warrants</p>
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	<p>or (b) the conversion or exchange of Capital Stock of the Company;</p> <p>(ix) payments of cash, dividends, distributions or advances by the Company and the Guarantors to prepay, redeem, defease, repurchase, retire, or otherwise acquire the New Notes, subject to the provisions of “Redemption”;</p> <p>(x) Restricted Payments that are made with Excluded Contributions; and</p> <p>(xi) other Restricted Payments in an aggregate amount not to exceed \$5.0 million made prior to the last date on which interest on the New Notes is payable in PIK and \$15.0 million if made thereafter.</p> <p>As of the Issuance Date, all of the Company's Subsidiaries will be Restricted Subsidiaries. The Company will not permit any Unrestricted Subsidiary to become a Restricted Subsidiary except pursuant to the second to last sentence of the definition of “Unrestricted Subsidiary.” For purposes of designating any Restricted Subsidiary as an Unrestricted Subsidiary, all outstanding Investments by the Company and its Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated will be deemed to be Restricted Payments in an amount determined as set forth in the last sentence of the definition of “Investments.” Such designation will be permitted only if a Restricted Payment in such amount would be permitted at such time (whether pursuant to the first paragraph of this covenant or pursuant to the definition of “Permitted Investments”) and if such Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants set forth in the Indenture.</p>
<p>(c) Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock</p>	<p>Accuride shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, “<u>incur</u>” and, collectively, an “<u>incurrence</u>”) any Indebtedness (including Acquired Indebtedness) or issue any shares of Disqualified Stock or permit any of its Restricted Subsidiaries to issue shares of Disqualified Stock; <i>provided, however</i>, that the Company may incur Indebtedness (including Acquired Indebtedness) or issue shares of Disqualified Stock, and any Restricted Subsidiary may incur Indebtedness (including Acquired Indebtedness) or issue shares of Disqualified Stock if the Fixed Charge Coverage Ratio for the Company's and its Restricted Subsidiaries' most recently ended four full fiscal quarters for which financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock is issued would have been at least 3.00 to 1.00, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period; <i>provided</i> that the amount of Indebtedness and</p>

Disqualified Stock that may be incurred pursuant to the foregoing by Restricted Subsidiaries that are not Guarantors of the Notes shall not exceed \$10.0 million at any one time outstanding.

The foregoing limitations will not apply to:

- (i) the incurrence by the Company or the Guarantors of Indebtedness under the Senior Credit Facilities and the issuance and creation of letters of credit and bankers' acceptances thereunder (with letters of credit and bankers' acceptances being deemed to have a principal amount equal to the face amount thereof) up to an aggregate principal amount of \$305.0 million outstanding at any one time plus any amounts for premiums, costs and expenses associated with a refinancing or refinancings of Indebtedness in this clause (i);
- (ii) the incurrence by the Company and any Guarantor of Indebtedness represented by the New Notes (including any Guarantee and the PIK Notes), including any notes issued in exchange for the New Notes and any guarantees thereof;
- (iii) the Existing Indebtedness (other than indebtedness described in another clause hereof);
- (iv) the incurrence by the Company or the Guarantors of Indebtedness pursuant to a Credit Facility in an aggregate amount up to \$50.0 million;
- (v) the incurrence by the Company of Indebtedness represented by Capitalized Lease Obligations, Disqualified Stock incurred by the Company or any of its Restricted Subsidiaries, mortgage financings or purchase money obligations, when aggregated with the principal amount of all other Indebtedness and Disqualified Stock, incurred pursuant to this clause (v) and including all Refinancing Indebtedness incurred to refund, refinance or replace any other Indebtedness or Disqualified Stock incurred pursuant to this clause (v), does not exceed \$25.0 million;
- (vi) Indebtedness incurred by the Company or any of its Restricted Subsidiaries arising in respect of letters of credit, bankers' acceptances, workers' compensation claims or self-insurance, or other Indebtedness with respect to reimbursement type obligations regarding workers' compensation claims, in each case in the ordinary course of business;
- (vii) Indebtedness of the Company to a Restricted Subsidiary; *provided* that any such Indebtedness owing to a Restricted Subsidiary that is not a Guarantor is made pursuant to an intercompany note and is subordinated in right of payment to the New Notes; *provided further* that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted

	<p>Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to the Company or another Restricted Subsidiary) shall be deemed, in each case to be an incurrence of such Indebtedness;</p> <p>(viii) Indebtedness of a Restricted Subsidiary to the Company or another Restricted Subsidiary; <i>provided</i> that (i) any such Indebtedness is made pursuant to an intercompany note and (ii) if a Guarantor incurs such Indebtedness to a Restricted Subsidiary that is not a Guarantor, such Indebtedness is subordinated in right of payment to the Guarantee of such Guarantor; <i>provided further</i> that any subsequent transfer of any such Indebtedness (except to the Company or another Restricted Subsidiary) shall be deemed, in each case to be an incurrence of such Indebtedness;</p> <p>(ix) Hedging Obligations that are incurred in the ordinary course of business (but in any event excluding Hedging Obligations entered into for speculative purposes);</p> <p>(x) obligations in respect of performance, bid, appeal and surety bonds and completion guarantees provided by the Company or any Restricted Subsidiary in the ordinary course of business;</p> <p>(xi) Indebtedness of any Guarantor in respect of such Guarantor's Guarantee;</p> <p>(xii) (A) any guarantee by the Company of Indebtedness or other obligations of any Restricted Subsidiaries so long as the incurrence of such Indebtedness incurred by such Restricted Subsidiary is permitted under the terms of the Indenture and (B) any guarantee by a Restricted Subsidiary of Indebtedness of the Company; <i>provided</i> that such Guarantee is incurred in accordance with the covenant described below under “— Limitation on Guarantees of Indebtedness by Restricted Subsidiaries”;</p> <p>(xiii) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds, <i>provided</i> that such Indebtedness is extinguished within five business days of its incurrence;</p> <p>(xiv) A) any guarantee by the Company or a Guarantor of Indebtedness or other obligations of any of its Restricted Subsidiaries so long as the incurrence of such Indebtedness incurred by such Restricted Subsidiary is permitted under the terms of the Indenture and (B) any guarantee by a Restricted Subsidiary of Indebtedness of the Company; <i>provided</i> that such Guarantee is incurred in accordance with the covenant described below under “— Limitation on Guarantees of Indebtedness by Restricted Subsidiaries”;</p>
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	<p>(xv) Issuance by the Company of additional senior convertible notes on terms that are identical to the New Notes in an aggregate principal amount not to exceed \$20.0 million, solely for the purpose of curing any covenant defaults under the Senior Credit Facility;</p> <p>(xvi) Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by the Indenture to be incurred under the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described in this Section or clauses (i), (ii), (iii) or (xvi);</p> <p>(xvii) Indebtedness arising from agreements of the Company or a Restricted Subsidiary providing for indemnification, adjustment or purchase price or similar obligations, in each case, incurred or assumed in connection with the disposition of any business, assets or a Subsidiary, other than the guarantees of Indebtedness incurred by any Person acquiring all of such business, assets or a Subsidiary for the purpose of financing such acquisition;</p> <p>(xviii) The incurrence of contingent liabilities arising out of endorsements of checks and other negotiable instruments for deposit or collection in the ordinary course of business;</p> <p>(xix) Indebtedness representing installment insurance premiums of the Company owing to insurance companies in the ordinary course of business;</p> <p>(xx) The incurrence of Indebtedness consisting of guarantees of loans or other extensions of credit to or on behalf of current or former officers, directors, employees or consultants of the Company, or any of its Subsidiaries for the purposes of permitting such Persons to purchase Capital Stock of the Company, not to exceed \$1.0 million;</p> <p>(xxi) The incurrence by the Company and the Guarantors of royalties, the dedication of reserves under supply agreements or similar rights or interests granted, taken subject to, or otherwise imposed on properties consistent with the ordinary course of business or normal practices in the commercial vehicle components industry;</p> <p>(xxii) Indebtedness or Disqualified Stock of Persons that are acquired by the Company or any of its Restricted Subsidiaries or merged into the Company or a Restricted Subsidiary in accordance with the terms of the Indenture; provided that such Indebtedness or Disqualified is not incurred in contemplation of such acquisition or merger; and provided further that after giving effect to such acquisition or merger, either (i) the Company would be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the</p>
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	<p>Fixed Charge Coverage Ratio test set forth in the first sentence of this covenant or (ii) the Fixed Charge Coverage Ratio is greater than immediately prior to such acquisition or merger; or</p> <p>(xxiii) The incurrence by the Company or any Guarantor of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Refinancing Indebtedness incurred to renew, refund, refinance, defease or discharge any Indebtedness incurred pursuant to this clause (xxiii), not to exceed \$40.0 million.</p> <p>For purposes of determining compliance with this covenant, in the event that an item of Indebtedness or Disqualified Stock meets the criteria of more than one of the categories of permitted Indebtedness or Disqualified Stock described in clauses (i) through (xxiii) above or is entitled to be incurred pursuant to the first paragraph of this covenant, the Company shall, in its sole discretion, classify or reclassify such item of Indebtedness, Disqualified Stock or preferred stock and will only be required to include the amount and type of such Indebtedness or Disqualified Stock in one of the above clauses. Accrual of interest, the accretion of accreted value and the payment of interest in the form of additional Indebtedness or Disqualified Stock will not be deemed to be an incurrence of Indebtedness or Disqualified Stock for purposes of this covenant.</p> <p>For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; <i>provided</i> that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced. The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.</p>
(d) Limitation on Liens	<p>Accuride shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur or suffer to exist any Lien on any asset or property of the Company or such Restricted Subsidiary securing Indebtedness (other than Permitted Liens) unless all payments due under the New Notes are equally and ratably secured with (or on a senior basis to, in the case of obligations subordinated in right of payment to the New Notes) the Indebtedness so secured until such time as such Indebtedness is no longer</p>

	<p>secured by a Lien.</p> <p>The preceding paragraph will not require the Company or any Restricted Subsidiary of the Company to secure the New Notes if the relevant Lien consists of a Permitted Lien. Any Lien which is granted to secure the New Notes or such Guarantee under the preceding paragraph shall be automatically released and discharged at the same time as the release of the Lien that gave rise to the obligation to secure the Notes or such Guarantee under such preceding paragraph.</p>
<p>(e) Merger, Consolidation or Sale of All or Substantially All Assets</p>	<p>Accuride shall not consolidate or merge with or into or wind up (whether or not the Company is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions, to any Person unless:</p> <ul style="list-style-type: none"> (i) the Company is the surviving corporation or the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation organized or existing under the laws of the United States, any state thereof, the District of Columbia, or any territory thereof (the Company or such Person, as the case may be, being herein called the “<u>Successor Company</u>”); (ii) the Successor Company (if other than the Company) expressly assumes all the obligations of the Company under the Indenture and the Notes pursuant to a supplemental indenture or other documents or instruments in form reasonably satisfactory to the Trustee; (iii) immediately after such transaction no Default or Event of Default exists; (iv) immediately after giving pro forma effect to such transaction, as if such transaction had occurred at the beginning of the applicable four-quarter period, (A) the Successor Company would be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first sentence of the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock” or (B) the Fixed Charge Coverage Ratio for the Successor Company and its Restricted Subsidiaries would be greater than such Ratio for the Company and its Restricted Subsidiaries immediately prior to such transaction; (v) each Guarantor, unless it is the other party to the transactions described above, in which case clause (ii) shall apply, shall have by supplemental indenture confirmed that its Guarantee shall apply to such Person’s obligations under the Indenture and the Notes; and (vi) the Company shall have delivered to the Trustee an Officers' Certificate and an opinion of counsel, each stating that such consolidation, merger or transfer and such supplemental indenture, if

	<p>any, comply with the section of the Indenture governing mergers, consolidations, or sales of all or substantially all assets.</p> <p>The Successor Company will succeed to, and be substituted for, the Company under the Indenture and the New Notes. Notwithstanding the foregoing clauses (iii) and (iv),</p> <ul style="list-style-type: none"> (i) any Restricted Subsidiary may consolidate with, merge into or transfer all or part of its properties and assets to the Company and (ii) the Company may merge with an Affiliate incorporated solely for the purpose of reincorporating the Company in another State of the United States so long as the amount of Indebtedness of the Company and its Restricted Subsidiaries is not increased thereby. <p>Subject to certain limitations described in the Indenture governing release of a Guarantee upon the sale, disposition or transfer of a Guarantor, each Guarantor shall not, and the Company will not permit a Guarantor to, consolidate or merge with or into or wind up into (whether or not such Guarantor is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions to any Person unless</p> <ul style="list-style-type: none"> (i) (A) such Guarantor is the surviving corporation or the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation organized or existing under the laws of the United States, any state thereof, the District of Columbia, or any territory thereof (such Guarantor or such Person, as the case may be, being herein called the “<u>Successor Guarantor</u>”); (B) the Successor Guarantor, if other than such Guarantor, expressly assumes all the obligations of such Guarantor under the Indenture and such Guarantor's Guarantee pursuant to a supplemental indenture or other documents or instruments in form reasonably satisfactory to the Trustee; (C) immediately after such transaction no Default or Event of Default exists; and (D) the Company shall have delivered to the Trustee an Officers' Certificate and an opinion of counsel, each stating that such consolidation, merger or transfer and such supplemental indenture, if any, comply with the Indenture; or (ii) the transaction is made in compliance with the covenant described under “—Asset Sales.” <p>Subject to certain limitations described in the Indenture, the Successor Guarantor will succeed to, and be substituted for, such Guarantor under the Indenture and such Guarantor's Guarantee. Notwithstanding the foregoing, any Guarantor may merge into or transfer all or part of its properties and assets to another Guarantor or the Company.</p>
(f) Transactions with	<p>Accuride shall not, and shall not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its</p>

<p>Affiliates</p>	<p>properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (each of the foregoing, an “<u>Affiliate Transaction</u>”) involving aggregate payments or consideration in excess of \$5.0 million, unless</p> <ul style="list-style-type: none"> (i) such Affiliate Transaction is on terms that are not materially less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person; and (ii) the Company delivers to the Trustee with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of \$10.0 million, a resolution adopted by the majority of the Board of Directors approving such Affiliate Transaction and set forth in an Officers’ Certificate certifying that such Affiliate Transaction complies with clause (i) above; <i>provided</i> that for any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of \$25.0 million, the Company shall deliver to the Trustee, in addition to such board resolution and Officers’ Certificate, a letter from an Independent Financial Advisor stating that such transaction is fair to the Company or such Restricted Subsidiary from a financial point of view or meets the requirements of clause (i) above. <p>The foregoing provisions will not apply to the following:</p> <ul style="list-style-type: none"> (i) transactions between or among the Company and/or any of its Restricted Subsidiaries; (ii) any indemnity provided on behalf of, officers, directors, employees or consultants of the Company or any Restricted Subsidiary; (iii) payments or loans (or cancellation of loans) to employees or consultants of the Company, any of its direct or indirect parent corporations or any Restricted Subsidiary which are approved by a majority of the Board of Directors of the Company in good faith, which shall not exceed \$1.0 million in the aggregate at any one time outstanding; (iv) any agreement as in effect as of the Issuance Date or any amendment thereto (so long as any such amendment is not disadvantageous to the Noteholders in any material respect) or any transaction contemplated thereby; (v) any employment agreement or employee benefit plan entered into by the Company or any Restricted Subsidiary in the ordinary
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	<p>course of business and payments pursuant thereto;</p> <ul style="list-style-type: none"> (vi) payment of reasonable directors' fees and expenses; (vii) transactions with joint ventures in a Similar Business; (viii) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture which are fair to the Company or its Restricted Subsidiaries, in the reasonable determination of the Board of Directors of the Company or the senior management thereof, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party; (ix) the issuance of Equity Interests (other than Disqualified Stock) of the Company to any director, officer, employee or consultant; (x) any contribution to the capital of the Company; (xi) transactions in which the Company or any of its Restricted Subsidiaries, as the case may be, delivers to the Trustee a letter from an Independent Financial Advisor stating that such transaction is fair to the Company or such Restricted Subsidiary from a financial point of view or meets the requirements of clause (i) of the first paragraph of this Section; (xii) Restricted Payments permitted by "Limitation on Restricted Payments" and Permitted Investments; (xiii) the existence of, or the performance by the Company or any of its Restricted Subsidiaries of its obligations under the terms of, any stockholders agreement (including any registration rights agreement or purchase agreement related thereto) to which it is a party as of the Issuance Date and any similar agreements which it may enter into thereafter; and (xiv) pledges of Equity Interests of Unrestricted Subsidiaries.
(g) Dividend and Other Payment Restrictions Affecting Subsidiaries	<p>Accuride shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Subsidiary to:</p> <ul style="list-style-type: none"> (i) (A) pay dividends or make any other distributions to the Company or any of its Restricted Subsidiaries (1) on its Capital Stock or (2) with respect to any other interest or participation in, or measured by, its profits, or (B) pay any Indebtedness owed to the Company or any of its Restricted Subsidiaries; (ii) make loans or advances to the Company or any of its Restricted

	<p>Subsidiaries; or</p> <p>(iii) sell, lease or transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries,</p> <p>except (in each case) for such encumbrances or restrictions existing under or by reason of:</p> <p>(A) contractual encumbrances or restrictions in effect on the Issuance Date, including, without limitation, pursuant to Existing Indebtedness or the Senior Credit Facilities and their related documentation;</p> <p>(B) the Indenture, the New Notes and the Guarantees;</p> <p>(C) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions of the nature discussed in clause (iii) above on the property so acquired;</p> <p>(D) applicable law or any applicable rule, regulation or order;</p> <p>(E) any agreement or other instrument of a Person acquired by the Company or any Restricted Subsidiary in existence at the time of such acquisition (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired;</p> <p>(F) contracts for the sale of assets or Capital Stock, including, without limitation restrictions with respect to a Subsidiary pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock or assets of such Subsidiary;</p> <p>(G) secured Indebtedness otherwise permitted to be incurred pursuant to the covenants described under (i) “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock” and (ii) “—Limitation on Liens” that limit the right of the debtor to dispose of the assets securing such Indebtedness;</p> <p>(H) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;</p> <p>(I) customary provisions in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements (including agreements entered into in connection with a Restricted Investment), including provisions limiting the distribution or disposition of assets or property, entered into in the ordinary course of business or with the approval</p>
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	<p>of the Board of Directors of the Company;</p> <p>(J) customary provisions (including non-assignment provisions) contained in leases and other agreements entered into in the ordinary course of business;</p> <p>(K) Refinancing Indebtedness; or</p> <p>(L) any encumbrances or restrictions of the type referred to in clauses (i), (ii) and (iii) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (A), (B) and (G)(i) above, <i>provided</i> that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Company's Board of Directors, not, taken as a whole, more restrictive with respect to such dividend and other payment restrictions set forth in clauses (i), (ii) and (iii) above than those contained in the dividend or other payment restrictions prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.</p>
<p>(h) Limitation on Guarantees of Indebtedness by Restricted Subsidiaries</p>	<p>Accuride shall not permit any Restricted Subsidiary that is a Domestic Subsidiary, other than a Guarantor, to guarantee the payment of any Indebtedness of the Company or any other Guarantor unless such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture to the Indenture providing for a Guarantee of payment of the New Notes by such Restricted Subsidiary except that with respect to a guarantee of Indebtedness of the Company or any Guarantor if such Indebtedness is by its express terms subordinated in right of payment to the New Notes or such Guarantor's Guarantee of the New Notes, any such guarantee of such Restricted Subsidiary with respect to such Indebtedness shall be subordinated in right of payment to such Restricted Subsidiary's Guarantee with respect to the New Notes substantially to the same extent as such Indebtedness is subordinated to the New Notes.</p> <p>Notwithstanding the foregoing and the other provisions of the Indenture, any Guarantee by a Restricted Subsidiary of the New Notes shall provide by its terms that it shall be automatically and unconditionally released and discharged upon (i) any sale, exchange or transfer, to any Person not an Affiliate of the Company, of all of the Company's Capital Stock in, or all or substantially all the assets of, such Restricted Subsidiary (which sale, exchange or transfer is not prohibited by the Indenture), (ii) the release or discharge of the guarantee which resulted in the creation of such Guarantee, except a discharge or release by or as a result of payment under such guarantee, (iii) upon Legal Defeasance, Covenant Defeasance or satisfaction and discharge of the Indenture, or (iv) if the Company designates a Restricted Subsidiary that is a Guarantor to be an Unrestricted Subsidiary.</p>

<p>Suspension of Covenants</p>	<p>(a) During any period of time that: (1) the New Notes have a Qualified Rating from Moody’s and S&P and (2) no Default or Event of Default has occurred and is continuing under the Indenture (the occurrence of the events described in the foregoing clauses (1) and (2) being collectively referred to as a “<u>Covenant Suspension Event</u>”), the Company and the Restricted Subsidiaries shall not be subject to the following provisions of the Indenture:</p> <p style="padding-left: 40px;">(A) “Limitation on Restricted Payments”;</p> <p style="padding-left: 40px;">(B) “Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock”;</p> <p style="padding-left: 40px;">(C) “Limitation on Asset Sales”;</p> <p style="padding-left: 40px;">(D) “Transactions with Affiliates”;</p> <p style="padding-left: 40px;">(E) “Dividends and Other Payment Restrictions Affecting Subsidiaries”; and</p> <p style="padding-left: 40px;">(F) “Limitation on Guarantees of Indebtedness by Restricted Subsidiaries”;</p> <p>(collectively, the “<u>Suspended Covenants</u>”). Upon the occurrence of a Covenant Suspension Event, the Guarantees of the Guarantors shall be suspended as of such date (the “<u>Suspension Date</u>”). In the event that the Company and the Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the “<u>Reversion Date</u>”) one or both of the Rating Agencies withdraws its Qualified Rating or downgrades the rating assigned to the New Notes below a Qualified Rating or a Default or Event of Default occurs and is continuing, then the Company and the Restricted Subsidiaries shall thereafter again be subject to the Suspended Covenants with respect to future events and the Guarantees shall be reinstated. The period of time between the Suspension Date and the Reversion Date is referred to in this description as the “<u>Suspension Period</u>”. Notwithstanding that the Suspended Covenants may be reinstated, no Default or Event of Default shall be deemed to have occurred as a result of a failure to comply with the Suspended Covenants during the Suspension Period (or upon termination of the Suspension Period or after that time based solely on events that occurred during the Suspension Period).</p> <p>(b) On the Reversion Date, all Indebtedness incurred, or Disqualified Stock issued, during the Suspension Period shall be classified to have been incurred or issued pursuant to “Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock” (in each case, to the extent such Indebtedness or Disqualified Stock would be permitted to be incurred or issued thereunder as of the Reversion Date and after giving effect to Indebtedness incurred or issued prior to the Suspension Period and outstanding on the Reversion Date). To the extent such Indebtedness or Disqualified Stock would not be so</p>
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	<p>permitted to be incurred or issued pursuant to “Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock”, such Indebtedness or Disqualified Stock shall be deemed to have been outstanding on the Issuance Date, so that it is classified as permitted under clause (iii) of “Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock”. Calculations made after the Reversion Date of the amount available to be made as Restricted Payments under “Limitation on Restricted Payments” shall be made as though “Limitation on Restricted Payments” had been in effect since the Issuance Date and throughout the Suspension Period, except that no default shall be deemed to have occurred solely by reason of a Restricted Payment made while that covenant was suspended. Accordingly, Restricted Payments made during the Suspension Period shall reduce the amount available to be made as Restricted Payments under “Limitation on Restricted Payments”.</p> <p>(c) The Company shall give the Trustee prompt (and in any event not later than five Business Days after a Covenant Suspension Event) written notice of any Covenant Suspension Event. In the absence of such notice, the Trustee shall assume the Suspended Covenants apply and are in full force and effect. The Company shall give the Trustee prompt (and in any event not later than five Business Days after a Covenant Suspension Event) written notice of any occurrence of a Reversion Date. After any such notice of the occurrence of a Reversion Date, the Trustee shall assume the Suspended Covenants apply and are in full force and effect.</p>
<p>Legal Defeasance and Covenant Defeasance:</p>	<p>The Company may, at the option of its Board of Directors evidenced by a resolution set forth in an Officers’ Certificate, at any time, with respect to the New Notes and Guarantees, elect to have either part (a) or part (b) below be applied to all outstanding New Notes and Guarantees upon compliance with the conditions set forth below in this Section.</p> <p>(a) Legal Defeasance and Discharge.</p> <p>Upon the Company’s exercise of its option this section, the Company and any Guarantor shall be deemed to have been discharged from the obligations with respect to all outstanding New Notes, except for the items described in (A) through (E) below, on the date the conditions set forth in part (c) below are satisfied (hereinafter, “<u>Legal Defeasance</u>”). For this purpose, such Legal Defeasance means that the Company and each Guarantor shall be deemed to have paid and discharged the entire Indebtedness represented by the outstanding New Notes, which shall thereafter be deemed to be “outstanding” only for the purposes of part (d) and the other sections of the Indenture referred to in (A) through (E) below, and to have satisfied all its other obligations under such New Notes and the Indenture insofar as such New Notes are concerned (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following which shall survive until otherwise terminated or discharged hereunder: (A) the rights of holders of outstanding New Notes to receive, solely from the trust fund described in part (c) and as more fully set forth in such Section, payments in respect of the principal of (and premium, if any, on) and interest on such</p>

New Notes when such payments are due, (B) the Company's obligations with respect to such New Notes under parts (ii) and (iii) of "Affirmative/ Reporting Covenants", (C) the rights, powers, trusts, duties and immunities of the Trustee hereunder, and the Company's obligations in connection therewith, (D) this Section, (E) the rights of holders of outstanding New Notes to convert such New Notes in New Common Stock of the Company and any related rights and (E) any rights of such holders with respect to the Notes Preferred Stock.

Subject to compliance with this Section, the Company may exercise its option under this section notwithstanding the prior exercise of its option under part (b) with respect to the New Notes.

(b) Covenant Defeasance.

Upon the Company's exercise under this section of the option applicable to this part (b), the Company and any Guarantor shall be released from the obligations under any covenant contained in "Negative Covenants" with respect to the outstanding New Notes on and after the date the conditions set forth below are satisfied (hereinafter, "Covenant Defeasance"), and the New Notes shall thereafter be deemed not to be "outstanding" for the purposes of any direction, waiver, consent or declaration or act of holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such New Notes will not be outstanding for accounting purposes). For this purpose, such Covenant Defeasance means that, with respect to the outstanding New Notes, the Company and any Guarantor may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under part (ii) of "Events of Default", but, except as specified above, the remainder of the Indenture and such New Notes shall be unaffected thereby.

(c) Conditions to Legal Defeasance or Covenant Defeasance.

The following shall be the conditions to application of either part (b) or Section part (c) above to the outstanding New Notes:

(A) The Company shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee satisfying the requirements of the Indenture who shall agree to comply with the provisions of this Section applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the holders of such New Notes, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public

accountants selected by the Company, to pay the principal of, premium, if any, and interest due on the outstanding New Notes on the Stated Maturity or on the applicable Redemption Date as the case may be, of such principal, premium, if any, or interest on the outstanding New Notes;

(B) In the case of Legal Defeasance, the Company shall have delivered to the Trustee an opinion of counsel in the United States reasonably acceptable to the Trustee (which opinion may be subject to customary assumptions and exclusions) confirming that (A) the Company has received from, or there has been published by, the United States Internal Revenue Service a ruling or (B) since the Issuance Date, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such opinion of counsel in the United States (which opinion may be subject to customary assumptions and exclusions) shall confirm that the holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(C) In the case of Covenant Defeasance, the Company shall have delivered to the Trustee an opinion of counsel in the United States reasonably acceptable to the Trustee confirming that, subject to customary assumptions and exclusions, the holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to such tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(D) No Default or Event of Default (other than resulting from borrowing funds to be applied to make such deposit) shall have occurred and be continuing on the date of such deposit;

(E) Such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, the Senior Credit Facilities or any other material agreement or instrument (other than the Indenture) to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(F) The Company shall have delivered to the Trustee an Officers' Certificate stating that the deposit was not made by the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Company or any Guarantor or others; and

(G) The Company shall have delivered to the Trustee an Officers' Certificate and an opinion of counsel in the United States

(which opinion of counsel may be subject to customary assumptions and exclusions) each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance, as the case may be, have been complied with.

(d) Deposited Money and U.S. Government Securities to be held in Trust; Other Miscellaneous Provisions.

All money and Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this part (e), the “Trustee”) pursuant to part (c) above in respect of the outstanding New Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such New Notes and the Indenture, to the payment, either directly or through any paying agent (including the Company acting as its own paying agent) as the Trustee may determine, to the holders of such New Notes of all sums due and to become due thereon in respect of principal (and premium, if any) and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the Government Securities deposited pursuant to part (c) or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the holders of the outstanding New Notes.

Anything in this Section to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon the request of the Company any money or U.S. Government Securities held by it as provided in part (c) which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect an equivalent legal defeasance or covenant defeasance, as applicable, in accordance with this Section.

(e) Repayment to the Company.

Any money deposited with the Trustee or any paying agent, or then held by the Company, in trust for the payment of the principal, and interest or premium, if any, on, any New Note and remaining unclaimed for two years after such principal, and interest or premium, if any, has become due and payable shall be paid to the Company on its request or (if then held by the Company) shall be discharged from such trust; and the holder of such New Note shall thereafter look only to the Company for payment thereof, and all liability of the Trustee or such paying agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; *provided, however*, that the Trustee or such paying agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than thirty (30) days from

	<p>the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Company.</p> <p>(f) Reinstatement.</p> <p>If the Trustee or any paying agent is unable to apply any money or Government Securities in accordance with part (e) by reason of any legal proceeding or by any reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company’s obligations under this Indenture and the New Notes shall be revived and reinstated as though no deposit had occurred pursuant to parts (a) or (b), as the case may be, until such time as the Trustee or paying agent is permitted to apply all such money in accordance with part (e); <i>provided, however</i>, that if the Company makes any payment of principal of (or premium, if any) or interest on any New Note following the reinstatement of its obligations, the Company shall be subrogated to the rights of the holders of such New Notes to receive such payment from the money and Government Securities held by the Trustee or paying agent.</p>
<p>Events of Default:</p>	<p>The occurrence and continuation of the following are events of default under the indenture for the New Notes:</p> <ul style="list-style-type: none"> (a) Accuride’s failure to pay the principal of or premium, if any, on any New Note when due, whether at maturity, on a Fundamental Change Repurchase Date with respect to a Fundamental Change or otherwise; (b) Accuride’s failure to pay an installment of interest (including payment of dividend or other distribution on the New Common Stock as described under “Conversion/Dividend Participation”) on any New Note when due, if the failure continues for 30 days after the date when due; (c) Accuride’s failure to satisfy its conversion obligations upon the exercise of a holder’s conversion right; (d) Accuride’s failure to timely provide notice as described under “Increase of the Conversion Rate upon the Occurrence of a Make-Whole Fundamental Change” or “Right of Holder to Require Accuride to Repurchase the New Notes upon a Fundamental Change” with respect to the New Notes; (e) Accuride’s failure to comply with any other term, covenant or agreement contained in the New Notes or the Indenture, if the failure is not cured within 45 days after notice to Accuride by the Trustee or to the Trustee and Accuride by holders of at least 25% in aggregate principal amount of the applicable New Notes then outstanding, in accordance with the indenture; (f) a default by Accuride or any of its subsidiaries in the payment when due, after the expiration of any applicable grace period, of principal of, or premium, if any, or interest on, indebtedness for money borrowed in the aggregate principal amount then outstanding of \$10.0 million or

	<p>more, or acceleration of Accuride’s or its subsidiaries’ indebtedness for money borrowed in such aggregate principal amount or more so that it becomes due and payable before the date on which it would otherwise have become due and payable, if such default is not cured or waived, or such acceleration is not rescinded, within 30 days after notice to Accuride by the Trustee or to Accuride and the Trustee by holders of at least 25% in aggregate principal amount of New Notes then outstanding, in accordance with the indenture;</p> <p>(g) failure by Accuride or any of its Subsidiaries, within 45 days, to pay, bond or otherwise discharge any final, non-appealable judgments or orders for the payment of money the total uninsured amount of which for Accuride or any of its Subsidiaries exceeds \$10.0 million, which are not stayed on appeal;</p> <p>(h) Accuride or any of its Significant Subsidiaries, pursuant to or within the meaning of the United States Bankruptcy Code: (A) commences a voluntary case; (B) consents to the entry of an order for relief against it in an involuntary case; (C) consents to the appointment of a custodian of it or for all or substantially all of its property; (D) makes a general assignment for the benefit of its creditors, or (E) admits in writing that it is generally not paying its debts (other than debts which are the subject of a bona fide dispute) as they become due; or</p> <p>(i) a court of competent jurisdiction enters an order or decree under any bankruptcy code that remains unstayed and in effect for 60 days and: (A) is for relief against Accuride or any of its Significant Subsidiaries in an involuntary case; (B) appoints a custodian of Accuride or any of its Significant Subsidiaries or for all or substantially all of the property of Accuride or any of its Significant Subsidiaries; or (C) orders the liquidation of Accuride or any of its Significant Subsidiaries; <i>provided</i> that clauses (A), (B) and (C) shall not apply to an Unrestricted Subsidiary, unless such action or proceeding has a material adverse effect on the interests of the Company or any Restricted Subsidiary.</p> <p>If an event of default, other than an event of default referred to in clauses (h) and (i) above with respect to Accuride, has occurred and is continuing, either the Trustee, by notice to Accuride, or the holders of at least 25% in aggregate principal amount of the New Notes then outstanding, by notice to Accuride and the Trustee, may declare the principal of, and any accrued and unpaid interest on, all New Notes to be immediately due and payable. In the case of an event of default referred to in clauses (h) and (i) above with respect to Accuride, the principal of, and accrued and unpaid interest on, all New Notes will automatically become immediately due and payable.</p> <p>After any such acceleration, the holders of a majority in aggregate principal amount of the New Notes by written notice to the Trustee, may rescind or annul such acceleration in certain circumstances, if:</p> <p>(a) the rescission would not conflict with any order or decree;</p> <p>(b) all events of default, other than the non-payment of accelerated</p>
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principal or interest, have been cured or waived; and

(c) all amounts due to the Trustee are paid.

The Trustee is not obligated to exercise any of its rights or powers at the request or demand of the holders, unless the holders have offered to the Trustee security or indemnity that is reasonably satisfactory to the Trustee against the costs, expenses and liabilities that the Trustee may incur to comply with the request or demand. Subject to applicable law and the Trustee's rights to indemnification, the holders of a majority in aggregate principal amount of the outstanding New Notes will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee.

No holder will have any right to institute any proceeding with respects to its rights, or for the appointment of a receiver or a Trustee, or for any other remedy, unless:

- (a) the holder gives the Trustee written notice of a continuing event of default;
- (b) the holders of at least 25% in aggregate principal amount of the New Notes then outstanding make a written request to the Trustee to pursue the remedy;
- (c) the holder or holders offer and, if requested, provide the Trustee indemnity reasonably satisfactory to the Trustee against any loss, liability or expense; and
- (d) the Trustee fails to comply with the request within 60 days after the Trustee receives the notice, request and offer of indemnity and does not receive, during those 60 days, from holders of a majority in aggregate principal amount of the New Notes then outstanding, a direction that is inconsistent with the request.

However, the above limitations do not apply to a suit by a holder to enforce:

- (a) the payment of any amounts due on that holder's New Notes after the maturity date or any Fundamental Change Repurchase Date; or
- (b) the right to convert that holder's New Notes in accordance with the indenture.

The holders of a majority of the aggregate principal amount of outstanding New Notes may, by notice to the Trustee, waive any past default or event of default and its consequences, other than a default or event of default:

- (a) in the payment of principal of, premium, if any, or interest on, any New Note or in the payment of the redemption price or Fundamental Change Repurchase Price;
- (b) arising from Accuride's failure to convert any New Note in

	<p>accordance with the indenture; or</p> <p>(c) in respect of any provision under the indenture that cannot be modified or amended without the consent of the holders of each outstanding New Note affected.</p> <p>Accuride will promptly notify the Trustee upon its becoming aware of the occurrence of any default or event of default. In addition, Accuride is required to furnish to the Trustee, on an annual basis within 180 days after fiscal year end, a statement by Accuride’s officers stating whether they have actual knowledge of any default or event of default by Accuride in performing any of its obligations under such indenture or the New Notes and describing any such default or event of default. If a default or event of default has occurred and the Trustee has received notice of the default or event of default in accordance with the indenture, the Trustee must mail to each registered holder of applicable New Notes a notice of the default or event of default within 90 days after receipt of the notice. However, the Trustee need not mail the notice if the default or event of default:</p> <p>(a) has been cured or waived; or</p> <p>(b) is not in the payment or delivery of any amounts due (including upon conversion) with respect to any New Note and the Trustee in good faith determines that withholding the notice is in the best interests of holders.</p>
<p>Modification and Waiver</p>	<p>Accuride may amend or supplement the indenture or the New Notes with the consent of the Trustee and holders of at least a majority in aggregate principal amount of the outstanding New Notes. In addition, subject to certain exceptions, the holders of a majority in aggregate principal amount of the outstanding New Notes may waive its compliance with any provision of the indenture or New Notes. However, without the consent of the holders of each outstanding New Note affected, no amendment, supplement or waiver may:</p> <p>(a) change the stated maturity of the principal of, or the payment date of any installment of interest (including any additional interest) on, or any additional amounts with respect to, any New Note;</p> <p>(b) reduce the principal amount of, or any premium or interest on, any New Note;</p> <p>(c) change the place, manner or currency of payment of principal of, or any premium or interest on, any New Note;</p> <p>(d) impair the right to institute a suit for the enforcement of any payment on, or with respect to, or of the conversion of, any New Note;</p> <p>(e) modify, in a manner adverse to the Noteholders, the provisions of the indenture relating to (i) the right of the holders to require Accuride to repurchase New Notes upon a fundamental change or (ii) the redemption price or its obligation to pay the redemption price when</p>

	<p>due;</p> <ul style="list-style-type: none"> (f) modify the ranking provisions of the indenture in a manner adverse to the Noteholders; (g) adversely affect the right of the Noteholders to convert their New Notes in accordance with the indenture; (h) reduce the percentage in aggregate principal amount of outstanding New Notes whose holders must consent to a modification or amendment of the indenture or the New Notes; (i) reduce the percentage in aggregate principal amount of outstanding New Notes whose holders must consent to a waiver of compliance with any provision of the indenture or the New Notes or a waiver of any default or event of default; or (j) modify the provisions of the indenture with respect to modification and waiver (including waiver of a default or event of default), except to increase the percentage required for modification or waiver or to provide for the consent of each affected noteholder. <p>Accuride may, with the Trustee's consent, amend or supplement the Indenture or the New Notes without notice to or the consent of any holder of the New Notes to:</p> <ul style="list-style-type: none"> (a) evidence the assumption of its obligations under the Indenture and New Notes by a successor upon its consolidation or merger or the sale, transfer, lease, conveyance or other disposition of all or substantially all of its property or assets in accordance with the indenture; (b) make adjustments in accordance with the Indenture to the right to convert the New Notes upon certain reclassifications in its common stock and certain consolidations, mergers and binding share exchanges and upon the sale, transfer, lease, conveyance or other disposition of all or substantially all of its property or assets; (c) secure its obligations in respect of the New Notes; (d) add to its covenants for the benefit of the Noteholders or to surrender any right or power conferred upon Accuride; (e) make provision with respect to adjustments to the conversion rate as required by the applicable indenture or to increase the conversion rate in accordance with the applicable indenture; (f) cure any ambiguity, defect, omission or inconsistency in the Indenture; (g) provide for uncertificated New Notes in addition to or in place of certificated New Notes; (h) comply with the requirements of the Commission in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act of 1939 as in effect on the date on which the Indenture is qualified thereunder;
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	<ul style="list-style-type: none"> (i) provide for the issuance of PIK Notes, in accordance with the limitations set forth in the Indenture; (j) allow any Guarantor to execute a supplemental indenture with respect to the New Notes; (k) comply with the rules of any securities depository; or (l) make any change that does not adversely affect the rights of any Noteholder, subject to the provisions hereof.
Choice of Law	New York

Certain Definitions

Set forth below are certain defined terms used in the Term Sheet for Accuride's 7.5% Senior Convertible Notes due 2020 (the "Term Sheet"). Reference is made to the Term Sheet and the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided. For purposes of the Term Sheet, unless otherwise specifically indicated, the term "consolidated" with respect to any Person refers to such Person consolidated with its Restricted Subsidiaries, and excludes from such consolidation any Unrestricted Subsidiary as if such Unrestricted Subsidiary were not an Affiliate of such Person.

"*Acquired Indebtedness*" means, with respect to any specified Person,

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Restricted Subsidiary of such specified Person, including, without limitation, Indebtedness incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Restricted Subsidiary of such specified Person, and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"*Affiliate*" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

"*Asset Sale*" means

(1) the sale, conveyance, transfer or other disposition (whether in a single transaction or a series of related transactions) of property or assets (including by way of a sale and leaseback) of the Company or any Restricted Subsidiary (each referred to in this definition as a "disposition") or

(2) the issuance or sale of Equity Interests of any Restricted Subsidiary, whether in a single transaction or a series of related transactions.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(a) a disposition of Cash Equivalents or Investment Grade Securities or obsolete, surplus, damaged or worn-out assets in the ordinary course of business or the sale, lease or discount of inventory, goods, services or accounts receivable in the ordinary course of business;

(b) the disposition of all or substantially all of the assets of the Company in a manner permitted pursuant to the provisions described above under "—Merger, Consolidation or Sale of All or Substantially All Assets" or any disposition that constitutes a Change of Control pursuant to the Indenture;

(c) the making of any Restricted Payment that is permitted to be made, and is made, under the covenant described above under "—Limitation on Restricted Payments";

(d) any disposition of assets or issuance or sale of Equity Interests of any Restricted Subsidiary in any transaction or series of transactions with an aggregate Fair Market Value of less than \$10.0 million;

(e) any disposition of property or assets or issuance of securities by a Restricted Subsidiary to the Company or by the Company or a Restricted Subsidiary to another Restricted Subsidiary;

(f) to the extent allowable under Section 1031 of the Internal Revenue Code of 1986, as amended, any exchange of like property (excluding any boot thereon) for use in a Similar Business;

(g) the lease, assignment or a lease or sub-lease of any real or personal property in the ordinary course of business;

(h) any financing transaction with respect to property built or acquired by the Company or any Restricted Subsidiary after the Issuance Date, including, without limitation, sale-leasebacks and asset securitizations permitted by the Indenture;

(i) foreclosures on assets;

(j) any sale of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary (with the exception of Investments in Unrestricted Subsidiaries);

(k) the cancellation or abandonment or other disposition of intellectual property that is no longer useful in any material respect in the conduct of the business of the Company and its Subsidiaries taken as a whole or the licensing or sublicensing of intellectual property or other general intangibles and license, sublicenses, leases or subleases of other property in the ordinary course of business; and

(l) the sale of Fabco Automotive Corporation for not less than \$20.0 million in cash consideration.

“*Board of Directors*” means, with respect to any Person, either the board of directors of such Person or any duly authorized committee thereof.

“*Capital Stock*” means

(1) in the case of a corporation, corporate stock,

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock,

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited) and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

“*Capitalized Lease Obligation*” means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP.

“*Cases*” means the cases filed by the Company and certain of its Subsidiaries and Affiliates (together, the “*Debtors*”) with the United States Bankruptcy Court for the District of Delaware under chapter 11 of the United States Bankruptcy Code (Case No. 09-13449 (BLS)).

“Cash Equivalents” means

- (1) United States dollars,
- (2) pounds sterling,
- (3) (a) euro, or any national currency of any participating member state in the European Union, or (b) in the case of any Foreign Subsidiary that is a Restricted Subsidiary, such local currencies held by them from time to time in the ordinary course of business,
- (4) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof,
- (5) certificates of deposit, time deposits and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year and overnight bank deposits, in each case with any commercial bank having capital and surplus in excess of \$500.0 million,
- (6) repurchase obligations for underlying securities of the types described in clauses (4) and (5) entered into with any financial institution meeting the qualifications specified in clause (5) above,
- (7) commercial paper rated A-1 or the equivalent thereof by Moody's or S&P and in each case maturing within one year after the date of acquisition,
- (8) investment funds investing 95% of their assets in securities of the types described in clauses (1)-(7) above,
- (9) readily marketable direct obligations issued by any state of the United States of America or any political subdivision thereof having one of the two highest rating categories obtainable from either Moody's or S&P with maturities of 24 months or less from the date of acquisition,
- (10) Indebtedness or preferred stock issued by Persons with a rating of “A” or higher from S&P or “A2” or higher from Moody's with maturities of 12 months or less from the date of acquisition, and
- (11) Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clauses (1) through (3) above, *provided* that such amounts are converted into any currency listed in clauses (1) through (3) as promptly as practicable and in any event within ten business days following the receipt of such amounts.

“Consolidated” refers to the consolidation of accounts in accordance with GAAP.

“Consolidated Depreciation and Amortization Expense” means with respect to any Person for any period, the total amount of depreciation and amortization expense and other noncash charges, excluding any noncash item that represents an accrual, reserve or amortization of a cash expenditure for a future period, of such Person and its Restricted Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP.

“Consolidated Interest Expense” means, with respect to any period, the sum, without duplication, of:

- (a) consolidated interest expense of such Person and its Restricted Subsidiaries for such period, to the extent such expense was deducted in computing Consolidated Net Income (including

amortization of original issue discount resulting from the issuance of Indebtedness at less than par, non-cash interest payments (but excluding any non-cash interest expenses attributable to the movement in the mark to market valuation of Hedging Obligations or other derivative instruments pursuant to Financial Accounting Standards Board Statement No. 133—"Accounting for Derivative Instruments and Hedging Activities"), the interest component of Capitalized Lease Obligations, and net payments, if any, pursuant to interest rate Hedging Obligations, excluding amortization of deferred financing fees and any expensing of bridge or other financing fees, and

(b) consolidated capitalized interest of such Person and its Restricted Subsidiaries for such period, whether paid or accrued *less*

(c) interest income for such period.

"*Consolidated Net Income*" means, with respect to any Person for any period, the aggregate of the Net Income, of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, and otherwise determined in accordance with GAAP; *provided, however*, that

(1) any net after-tax extraordinary, non-recurring or unusual gains or losses (less all fees and expenses related thereto) shall be excluded,

(2) the Net Income for such period shall not include the cumulative effect of a change in accounting principles during such period,

(3) any net after-tax income from disposed or discontinued operations and any net after-tax gains or losses on disposal of disposed or discontinued operations shall be excluded,

(4) any net after-tax gains attributable to asset dispositions (less all fees and expenses related thereto) other than in the ordinary course of business, as determined in good faith by the Board of Directors of the Company, shall be excluded;

(5) the Net Income for such period of any Person that is not a Subsidiary, or is an Unrestricted Subsidiary, or that is accounted for by the equity method of accounting, shall be excluded; *provided* that Consolidated Net Income of the Company shall be increased by the amount of dividends or distributions or other payments paid in cash (or to the extent converted into cash) (without duplication in the case of calculating Restricted Payments) to the referent Person or a Restricted Subsidiary thereof in respect of such period,

(6) the Net Income for such period of any Restricted Subsidiary shall be excluded if the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of its Net Income is not at the date of determination wholly permitted without any prior governmental approval (which has not been obtained) or, directly or indirectly, by the operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule, or governmental regulation applicable to that Restricted Subsidiary or its stockholders, unless such restriction with respect to the payment of dividends or in similar distributions has been legally waived; *provided* that Consolidated Net Income of the Company shall be increased by the amount of dividends or other distributions or other payments paid in cash (or to the extent converted into cash) (without duplication in the case of calculating Restricted Payments) to the referent Person or a Restricted Subsidiary thereof in respect of such period,

(7) any net after-tax income (loss) from the early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments shall be excluded,

(8) any impairment charge or asset write-off pursuant to Financial Accounting Standards Board Statement No. 142 and No. 144 and the amortization of intangibles arising pursuant to No. 141 shall be excluded, and

(9) any non-cash compensation expense recorded from grants of stock appreciation or similar rights, stock options, restricted stock or other rights to officers, directors or employees shall be excluded.

“*Credit Facility*” means, with respect to the Company or any Guarantor, one or more debt facilities (including, without limitation, the Senior Credit Facilities) or commercial paper facilities with banks or other institutional lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to institutional investors) in whole or in part from time to time (and whether or not with the original administrative agent and lenders or another administrative agent or agents or other lenders and whether provided under the original Senior Credit Facilities or any other credit or other agreement or indenture).

“*Default*” means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

“*Designated Noncash Consideration*” means the fair market value of noncash consideration received by the Company or one of its Restricted Subsidiaries in connection with an Asset Sale that is so designated as Designated Noncash Consideration pursuant to an Officers’ Certificate, less the amount of cash or Cash Equivalents received in connection with a sale of such Designated Noncash Consideration.

“*Disqualified Stock*” means, with respect to any Person, any Capital Stock of such Person which, by its terms, or by the terms of any security into which it is convertible or for which it is putable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable, other than as a result of a Change of Control or Asset Sale, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, other than as a result of a Change of Control or Asset Sale, in whole or in part, in each case prior to the date 91 days after the maturity date of the Notes; *provided, however*; that if such Capital Stock is issued to any plan for the benefit of employees of the Company or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Company or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations.

“*Domestic Subsidiary*” means, with respect to any Person, any Restricted Subsidiary of such Person other than a Foreign Subsidiary.

“*EBITDA*” means, for any period, the sum, of the amounts for such period of

(a) Consolidated Net Income, plus

(b) to the extent included in computing Consolidated Net Income, the sum (without duplication) of

(1) Consolidated Interest Expense,

(2) taxes computed on the basis of income,

(3) Consolidated depreciation expense,

- (4) Consolidated amortization expense (including amortization of deferred financing fees),
 - (5) any expenses or charges incurred in connection with any issuance of debt or equity securities (including upfront and amendment fees payable in respect of bank facilities),
 - (6) any fees and expenses related to Permitted Investments,
 - (7) losses on asset sales,
 - (8) restructuring charges or reserves for such period incurred by the Company or any Subsidiary in connection with (x) plant closures and the consolidation, relocation or elimination of operations and (y) related severance costs and other costs incurred in connection with the termination, relocation and training of employees; *provided* that unless otherwise agreed by the Trustee (acting on the instructions of holders of a majority in principal amount of the New Notes), the maximum amount of all restructuring charges or reserves that may be included in EBITDA during the term of the Indenture shall not exceed \$15,000,000 in the aggregate and \$10,000,000 in any consecutive four quarter period,
 - (9) any deduction for minority interest expense,
 - (10) any other non-cash charges,
 - (11) any other non-recurring charges,
 - (12) currency losses (except any losses on currency hedging agreements that are entered into to hedge against fluctuations in foreign currencies with respect to items included in calculating operating income),
 - (13) fees or expenses incurred or paid by the Company or any of its Subsidiaries in connection with the restructuring, and
 - (14) with respect to any date of determination, the most recently completed four consecutive fiscal quarters ending on or immediately prior to such date, which contains a fiscal quarter with respect to which an EBITDA Deficiency (as defined in the Credit Agreement) was cured pursuant to and in compliance with the provisions of Section 5.04(b) of the Credit Agreement, an amount equal to the EBITDA Deficiency Add Back (as defined in the Credit Agreement) with respect to such fiscal quarter, minus
- (c) to the extent included in computing Consolidated Net Income the sum, without duplication, the amounts for such period of
- (1) any non-recurring gains,
 - (2) all non-cash gains,
 - (3) gains on asset sales, and
 - (4) currency gains (except any gains on currency hedging agreements that are entered into to hedge against fluctuations in foreign currencies with respect to items included in calculating operating income),

determined, in the case of each of the foregoing clauses (a), (b) and (c) for the Company and its Subsidiaries, in accordance with GAAP for such period; *provided* that for purposes of such calculation, in the case of any Restricted Subsidiary acquired by the Company or any of its Restricted Subsidiaries

following the commencement of any such period, amounts attributable to such Restricted Subsidiary shall be calculated as though such Subsidiary had been acquired on the first day of such period.

“*Equity Offering*” means any public or private sale of common stock or preferred stock of the Company (excluding Disqualified Stock and Excluded Contributions).

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

“*Excluded Contributions*” means net cash proceeds or marketable securities received by the Company from contributions to its common equity capital (other than Disqualified Stock and other than from a Restricted Subsidiary) designated as Excluded Contributions pursuant to an Officers’ Certificate on the date such capital contributions are made.

“*Existing Indebtedness*” means Indebtedness of the Company or its Restricted Subsidiaries in existence on the Issuance Date, plus interest accruing thereon, after application of the net proceeds of the sale of the New Notes.

“*First Priority Lien Obligations*” means all of the Obligations of the Company and its Subsidiaries under the Senior Credit Facilities.

“*Fixed Charge Coverage Ratio*” means, with respect to any Person for any period, the ratio of EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the Company or any of its Restricted Subsidiaries incurs, assumes, guarantees or redeems any Indebtedness (other than ordinary working capital borrowings) or issues or redeems Disqualified Stock or preferred stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated but prior to the event for which the calculation of the Fixed Charge Coverage Ratio is made (the “Calculation Date”), then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect to such incurrence, assumption, guarantee or redemption of Indebtedness, or such issuance or redemption of Disqualified Stock or preferred stock, as if the same had occurred at the beginning of the applicable four-quarter period.

For purposes of making the computation referred to above, Investments, acquisitions, dispositions, mergers, consolidations and discontinued operations (as determined in accordance with GAAP) that have been made by the Company or any of its Restricted Subsidiaries during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Calculation Date shall be calculated on a pro forma basis assuming that all such Investments, acquisitions, dispositions, mergers, consolidations and discontinued operations (and the reduction of any associated fixed charge obligations and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Company or any Restricted Subsidiary since the beginning of such period) shall have made any Investment, acquisition, disposition, merger, consolidation or discontinued operation that would have required adjustment pursuant to this definition, then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect thereto for such period as if such Investment, acquisition, disposition, merger, consolidation or discontinued operation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to a transaction, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Company. If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such

Indebtedness). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Company to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a pro forma basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Company may designate.

“*Fixed Charges*” means, with respect to any Person for any period, the sum of

- (a) Consolidated Interest Expense of such Person for such period,
- (b) the cash dividend payments (excluding items eliminated in consolidation) on any series of preferred stock of such Person made during such period, and
- (c) all cash dividend payments (excluding items eliminated in consolidation) on any series of Disqualified Stock made during such period.

“*Foreign Subsidiary*” means a Restricted Subsidiary not organized or existing under the laws of the United States, any State thereof, the District of Columbia, or any territory thereof.

“*GAAP*” means generally accepted accounting principles in the United States.

“*Government Securities*” means securities that are

- (a) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged, or
- (b) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America,

which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act), as custodian with respect to any such Government Securities or a specific payment of principal of or interest on any such Government Securities held by such custodian for the account of the holder of such depository receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the Government Securities or the specific payment of principal of or interest on the Government Securities evidenced by such depository receipt.

“*guarantee*” means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness or other obligations.

“*Guarantee*” means any guarantee of the obligations of the Company under the Indenture and the Notes by any Person in accordance with the provisions of the Indenture. When used as a verb, “*Guarantee*” shall have a corresponding meaning.

“*Hedging Obligations*” means, with respect to any Person, the obligations of such Person under

- (a) currency exchange, interest rate or commodity swap agreements, currency exchange, interest rate or commodity cap agreements and currency exchange, interest rate or commodity collar agreements and
- (b) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange, interest rates or commodity prices.

“*Indebtedness*” means, with respect to any Person,

- (a) any indebtedness of such Person, whether or not contingent
 - (1) in respect of borrowed money,
 - (2) evidenced by bonds, notes, debentures or similar instruments or letters of credit or bankers' acceptances (or, without double counting, reimbursement agreements in respect thereof),
 - (3) representing the balance deferred and unpaid of the purchase price of any property (including Capitalized Lease Obligations), except any such balance that constitutes a trade payable or similar obligation to a trade creditor, in each case accrued in the ordinary course of business or
 - (4) representing any Hedging Obligations, if and to the extent of any of the foregoing Indebtedness (other than letters of credit and Hedging Obligations) that would appear as a liability upon a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP,
- (b) to the extent not otherwise included, any obligation by such Person to be liable for, or to pay, as obligor, guarantor or otherwise, on the Indebtedness of another Person, other than by endorsement of negotiable instruments for collection in the ordinary course of business, and
- (c) to the extent not otherwise included, Indebtedness of another Person secured by a Lien on any asset owned by such Person, whether or not such Indebtedness is assumed by such Person; provided, however, that Contingent Obligations incurred in the ordinary course of business shall be deemed not to constitute Indebtedness.

In addition, “Indebtedness” of any Person shall include Indebtedness described in the foregoing paragraph that would not appear as a liability on the balance sheet of such Person if (1) such Indebtedness is the obligation of a partnership or joint venture that is not a Restricted Subsidiary (a “Joint Venture”), (2) such Person or a Restricted Subsidiary is a general partner of the Joint Venture (a “General Partner”) and (3) there is recourse, by contract or operation of law, with respect to the payment of such Indebtedness to property or assets of such Person or a Restricted Subsidiary; and such Indebtedness shall be included in an amount not to exceed (x) the greater of (A) the net assets of the General Partner and (B) the amount of such obligations to the extent that there is recourse, by contract or operation of law, to the property or assets of such Person or a Restricted Subsidiary (other than the General Partner) or (y) if less than the amount determined pursuant to clause (x) immediately above, the actual amount of such Indebtedness that is recourse to such Person, if the Indebtedness is evidenced by a writing and is for a determinable amount and the related interest expense shall be included in Consolidated Interest Expense to the extent paid by the Company or its Restricted Subsidiaries.

In addition, “Indebtedness” of any Person shall not include (1) any liability for federal, state, local or other taxes, (2) performance, surety or appeal bonds provided in the ordinary course of business, (3) agreements providing for indemnification, adjustment of purchase price or similar obligations, or Guarantees or letters of credit, surety bonds or performance bonds securing any obligations of the Company or any of its Restricted Subsidiaries pursuant to such agreements, in any case incurred in connection with the disposition of any business, assets or Restricted Subsidiary (other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Restricted Subsidiary for the purpose of financing such acquisition), so long as the principal amount does not exceed the gross proceeds actually received by the Company or any Restricted Subsidiary in connection with such disposition.

“*Independent Financial Advisor*” means an accounting, appraisal, investment banking firm or consultant to Persons engaged in Similar Businesses of nationally recognized standing that is, in the judgment of the Company's Board of Directors, qualified to perform the task for which it has been engaged.

“*Investment Grade Securities*” means

(1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (other than Cash Equivalents),

(2) debt securities or debt instruments with a rating of BBB- or higher by S&P or Baa3 or higher by Moody's or the equivalent of such rating by such rating organization, or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any other nationally recognized securities rating agency, but excluding any debt securities or instruments constituting loans or advances among the Company and its Subsidiaries,

(3) investments in any fund that invests exclusively in investments of the type described in clauses (1) and (2) which fund may also hold immaterial amounts of cash pending investment and/or distribution, and

(4) corresponding instruments in countries other than the United States customarily utilized for high quality investments.

“*Investments*” means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of loans (including guarantees), advances or capital contributions (excluding accounts receivable, trade credit, advances to customers, commission, travel and similar advances to officers and employees, in each case made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities issued by any other Person and investments that are required by GAAP to be classified on the balance sheet (excluding the footnotes) of the Company in the same manner as the other investments included in this definition to the extent such transactions involve the transfer of cash or other property. For purposes of the definition of “Unrestricted Subsidiary” and the covenant described under “—Negative Covenants—Limitation on Restricted Payments,”

(1) “Investments” shall include the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of a Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; *provided, however*, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent “Investment” in an Unrestricted Subsidiary in an amount (if positive) equal to

- (x) the Company's "Investment" in such Subsidiary at the time of such redesignation less
- (y) the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation; and

(2) any property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value at the time of such transfer, in each case as determined in good faith by the Board of Directors.

"*Issuance Date*" means the closing date for the sale and original issuance of the Initial Notes under the Indenture.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction; *provided* that in no event shall an operating lease be deemed to constitute a Lien.

"*Moody's*" means Moody's Investors Service, Inc. and any successor to its rating agency business.

"*Net Income*" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends.

"*Net Proceeds*" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale, net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and brokerage and sales commissions, any relocation expenses incurred as a result thereof, taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements), amounts required to be applied to the repayment of principal, premium, if any, and interest on Indebtedness required (other than required by clause (i) of the second paragraph of "~~—Negative Covenants—~~Limitation on Asset Sales") to be paid as a result of such transaction and any deduction of appropriate amounts to be provided by the Company as a reserve in accordance with GAAP against any liabilities associated with the asset disposed of in such transaction and retained by the Company after such sale or other disposition thereof, including, without limitation, pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction.

"*Obligations*" means any principal, interest, penalties, fees, indemnifications, reimbursements (including, without limitation, reimbursement obligations with respect to letters of credit and banker's acceptances), damages and other liabilities, and guarantees of payment of such principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities, payable under the documentation governing any Indebtedness.

"*Officer*" means the Chairman of the Board, the President, any Executive Vice President, Senior Vice President or Vice President, the Treasurer or the Secretary of the Company.

"*Officers' Certificate*" means a certificate signed on behalf of the Company by two Officers of the Company, one of whom must be the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of the Company that meets the requirements set forth in the Indenture.

“*Old Equity Warrants*” means the warrants issued in exchange for Accuride’s common stock existing prior to the reorganization of Accuride under chapter 11 of the United States Bankruptcy Code.

“*Pari Passu Indebtedness*” means

(a) with respect to the New Notes, Indebtedness which ranks *pari passu* in right of payment to the New Notes and

(b) with respect to any Guarantor, Indebtedness that ranks *pari passu* in right of payment to such Guarantor of such Guarantor.

“*Permitted Asset Swap*” means the concurrent purchase and sale or exchange of Related Business Assets or a combination of Related Business Assets and cash or Cash Equivalents between the Company or any of its Restricted Subsidiaries and another Person.

“*Permitted Investments*” means

(a) any Investment in the Company or any Restricted Subsidiary;

(b) any Investment in cash and Cash Equivalents;

(c) any Investment by the Company or any Restricted Subsidiary of the Company in a Person that is engaged in a Similar Business if as a result of such Investment

(1) such Person becomes a Restricted Subsidiary or

(2) such Person, in one transaction or a series of related transactions, is merged, consolidated or amalgamated with or into, or transfers or conveys a division, a line of business or substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary;

(d) any Investment in securities or other assets not constituting cash or Cash Equivalents and received in connection with an Asset Sale made pursuant to the covenant set forth in “—Negative Covenants – Limitation on Asset Sales” or any other disposition of assets not constituting an Asset Sale;

(e) any Investment existing on the Issuance Date;

(f) advances to employees not in excess of \$1.0 million outstanding at any one time, in the aggregate and advances to employees solely for the purchase of Capital Stock of the Company not to exceed \$2.5 million outstanding at any one time;

(g) any Investment acquired by the Company or any of its Restricted Subsidiaries

(1) in exchange for any other Investment or accounts receivable held by the Company or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of the issuer of such other Investment or accounts receivable or

(2) as a result of a foreclosure by the Company or any of its Restricted Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(h) Hedging Obligations permitted under clause (ix) of the “Limitation of Incurrence of Indebtedness and Issuance of Disqualified Stock” covenant;

(i) loans and advances to officers, directors and employees for business-related travel expenses, moving expenses and other similar expenses, in each case incurred in the ordinary course of business;

(j) guarantees (including Guarantees) of Indebtedness permitted under the covenant “— Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock”;

(k) Investments consisting of purchases and acquisitions of inventory, supplies, material or equipment or the licensing or contribution of intellectual property pursuant to joint marketing arrangements with other Persons;

(l) Investments, the payment of which consist of Equity Interests of the Company; provided, however, that such Equity Interests will not increase the amount available for Restricted Payments; and

(m) additional Investments having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (m) that are at that time outstanding (without giving effect to the sale of an Unrestricted Subsidiary) not to exceed \$10.0 million prior to the last date on which interest on the New Notes is payable in PIK and \$20.0 million if made thereafter (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value).

“*Permitted Liens*” means, with respect to any Person:

(1) pledges or deposits by such Person under workmen's compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety or appeal bonds to which such Person is a party, or deposits as security for contested taxes or import duties or for the payment of rent, in each case incurred in the ordinary course of business;

(2) Liens imposed by law, such as carriers', warehousemen's and mechanics' Liens, in each case for sums not overdue for a period of more than 30 days or being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review;

(3) Liens for taxes, assessments or other governmental charges not yet due or payable or subject to penalties for nonpayment or which are being contested in good faith by appropriate proceedings;

(4) Liens in favor of issuers of performance and surety bonds or bid bonds or with respect to other regulatory requirements or letters of credit issued pursuant to the request of and for the account of such Person in the ordinary course of its business;

(5) minor survey exceptions, minor encumbrances, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real properties or Liens incidental, to the conduct of the business of such Person or to the ownership of its properties which were not incurred in connection with Indebtedness and which do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(6) Liens existing on the Issuance Date, excluding, pursuant to the Senior Credit Facilities and their related documentation;

(7) Liens on property or shares of stock of a Person at the time such Person becomes a Subsidiary; *provided, however*, such Liens are not created or incurred in connection with, or in contemplation of, such other Person becoming such a subsidiary; *provided, further, however*, that such Liens may not extend to any other property owned by the Company or any Restricted Subsidiary;

(8) Liens on property at the time the Company or a Restricted Subsidiary acquired the property, including any acquisition by means of a merger or consolidation with or into the Company or any Restricted Subsidiary; *provided, however*, that such Liens are not created or incurred in connection with, or in contemplation of, such acquisition; *provided, further, however*, that the Liens may not extend to any other property owned by the Company or any Restricted Subsidiary;

(9) Liens securing Indebtedness or other obligations of a Restricted Subsidiary owing to the Company or another Restricted Subsidiary permitted to be incurred in accordance with the covenant described under “—Negative Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock” or the other sections of the Indenture;

(10) Liens securing Hedging Obligations so long as the related Indebtedness is, and is permitted to be under the Indenture, secured by a Lien on the same property securing such Hedging Obligations;

(11) Liens on specific items of inventory of other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(12) ground leases in respect of real property on which facilities leased or owned by the Company or any of its Subsidiaries;

(13) leases and subleases of real property which do not materially interfere with the ordinary conduct of the business of the Company or any of the Restricted Subsidiaries taken as a whole;

(14) Liens arising from Uniform Commercial Code financing statement filings regarding operating leases entered into by the Company and its Restricted Subsidiaries in the ordinary course of business;

(15) Liens securing obligations permitted to be incurred with subsection (v) of the second paragraph under “Negative Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock”;

(16) Liens in favor of the Company or any Restricted Subsidiary;

(17) Liens on equipment of the Company or any Restricted Subsidiary granted in the ordinary course of business to the Company's client at which such equipment is located;

(18) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancing, refunding, extensions, renewals or replacements) as a whole, or in part, of any Indebtedness secured by any Lien referred to in the foregoing clauses (6),(7), (8), (9),

(10) and (14); *provided, however*, that (x) such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements on such property), and (y) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (A) the outstanding principal amount or, if greater, committed amount of the Indebtedness described under clauses (6), (7), (8), (9), (10) and (14) at the time the original Lien became a Permitted Lien under the Indenture, and (B) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing, refunding, extension, renewal or replacement;

(19) deposits made in the ordinary course of business to secure liability to insurance carriers;

(20) Liens securing Indebtedness permitted to be incurred under parts (i), (ii) and (iv) of “Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock” and any Refinancing Indebtedness of Indebtedness permitted under part (i) of “Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock” that is incurred pursuant to part (xvi) thereof;

(21) Liens contained in purchase and sale agreements limiting the transfer of assets pending the closing of the transactions contemplated thereby;

(22) to the extent not otherwise resulting in an Event of Default, Liens arising by reason of a judgment, decree or order and any Liens that are required to protect or enforce any rights in any administrative, arbitration or other court proceedings;

(23) Liens that may be deemed to exist by virtue of contractual provisions that restrict the ability of the Company or any of its Subsidiaries from granting or permitting to exist Liens on their respective assets;

(24) the licensing or sublicensing of intellectual property or other general intangibles in the ordinary course of business;

(25) Liens arising out of conditional sale, title retention, consignment or similar arrangement for the sale of goods in the ordinary course of business; and

(26) other Liens securing obligations incurred in the ordinary course of business which obligations do to exceed \$10.0 million at any one time outstanding.

For purposes of this definition, the term “Indebtedness” shall be deemed to include interest on such Indebtedness.

“*Person*” means any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

“*preferred stock*” means any Equity Interest with preferential rights of payment of dividends or upon liquidation, dissolution, or winding up.

“*Qualified Rating*” means a rating equal to or higher than Baa3 (or the equivalent) by Moody’s and BBB- (or the equivalent) by S&P.

“*Refinancing Indebtedness*” means Indebtedness of the Company or any Restricted Subsidiary issued to Refinance any other Indebtedness of the Company or a Restricted Subsidiary so long as: (1) the

aggregate principal amount (or initial accreted value, if applicable) of such new Indebtedness as of the date of such proposed Refinancing does not exceed the aggregate principal amount (or initial accreted value, if applicable) of the Indebtedness being Refinanced (plus the amount of any premium required to be paid under the terms of the instrument governing such Indebtedness and the amount of reasonable expenses incurred by the Company in connection with such Refinancing); (2) such new Indebtedness has: a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being Refinanced or more than 60 days after the final maturity date of the New Notes; and (3) if the Indebtedness being Refinanced is Subordinated Indebtedness, then such Refinancing Indebtedness will be subordinate to the Notes or any relevant Subsidiary Guarantee, if applicable, at least to the same extent and in the same manner as the Indebtedness being Refinanced.

“*Related Business Assets*” means assets (other than cash or Cash Equivalents) used or useful in a Similar Business, *provided* that any assets received by the Company or a Restricted Subsidiary in exchange for assets transferred by the Company or a Restricted Subsidiary shall not be deemed to be Related Business Assets if they consist of securities of a Person, unless upon receipt of the securities of such Person, such Person would become a Restricted Subsidiary.

“*Restricted Investment*” means an Investment other than a Permitted Investment.

“*Restricted Subsidiary*” means, at any time, any direct or indirect Subsidiary of the Company that is not then an Unrestricted Subsidiary; *provided, however*, that upon the occurrence of an Unrestricted Subsidiary ceasing to be an Unrestricted Subsidiary, such Subsidiary shall be included in the definition of “Restricted Subsidiary.”

“*S&P*” means Standard and Poor's Ratings Services, a Standard & Poor's Financial Services LLC business and any successor to its rating agency business.

“*Senior Credit Facilities*” means the Fifth Amended and Restated Credit Agreement, to be effective as set forth therein, and as may be amended from time to time, among the Company, certain Subsidiaries of the Company, the financial institutions named therein, and Deutsche Bank Trust Company Americas, as Administrative Agent (the “*Credit Agreement*”), including any collateral documents, guarantees, instruments and agreements executed in connection therewith, in each case as amended, restated, supplemented, waived, replaced (whether or not upon termination, and whether with the original lenders or otherwise), restructured, repaid, refunded, refinanced or otherwise modified from time to time, including any agreement or indenture extending the maturity thereof, refinancing, replacing or otherwise restructuring all or any portion of the Indebtedness under such agreement or agreements or indenture or indentures or any successor or replacement agreement or agreements or indenture or indentures or increasing the amount loaned or issued thereunder or altering the maturity thereof.

“*Significant Subsidiary*” means any Subsidiary that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof.

“*Similar Business*” means the business and any services, activities or businesses incidental or directly related or similar to, any line of business engaged in by the Company and its Subsidiaries as of the date of the Indenture or any business activity that is a reasonable extension, development or expansion thereof or ancillary thereto.

“*Subordinated Indebtedness*” means (a) with respect to the New Notes, any Indebtedness of the Company which is by its terms subordinated in right of payment to the New Notes and (b) with respect to any Guarantee, any Indebtedness of the applicable Guarantor which is by its terms subordinated in right of payment to such Guarantee.

“*Subsidiary*” means, with respect to any Person, (i) any corporation, association, or other business entity (other than a partnership, joint venture or limited liability company) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof and (ii) any partnership, joint venture, limited liability company or similar entity of which (x) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership interests or otherwise and (y) such Person or any Restricted Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

“*Total Assets*” means the total consolidated assets of the Company and its Restricted Subsidiaries, as shown on the most recent balance sheet of the Company.

“*Unrestricted Subsidiary*” means any Subsidiary of the Company which at the time of determination is an Unrestricted Subsidiary (as designated by the Board of Directors of the Company, as provided below). The Board of Directors of the Company may designate any Subsidiary of the Company (including any existing Subsidiary and any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary but only to the extent (A) the Company would be permitted to make an Investment at the time of designation (assuming the effectiveness of such designation and treating such designation as an Investment at the time of designation) as a Restricted Payment pursuant to the first paragraph of “-Limitation on Restricted Payments” in an amount equal to the amount of the Company’s Investment in such Subsidiary on such date and (B) such Subsidiary (1) has no Indebtedness other than non-recourse debt, (2) except as permitted by “Limitation on Affiliate Transactions”, is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company, (3) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person’s financial condition or to cause such Person to achieve any specified levels of operating results, and (4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries. Any such designation by the Board of Directors shall be notified by the Company to the Trustee by promptly filing with the Trustee a copy of the board resolution giving effect to such designation and an Officers’ Certificate certifying that such designation complied with the foregoing provisions.

“*Voting Stock*” of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

“*Weighted Average Life to Maturity*” means, when applied to any Indebtedness or Disqualified Stock, as the case may be, at any date, the quotient obtained by dividing (i) the sum of the products of the number of years from the date of determination to the date of each successive scheduled principal payment of such Indebtedness or redemption or similar payment with respect to such Disqualified Stock multiplied by the amount of such payment, by (ii) the sum of all such payments.

“*Wholly Owned Restricted Subsidiary*” is any Wholly Owned Subsidiary that is a Restricted Subsidiary.

“Wholly Owned Subsidiary” of any Person means a Subsidiary of such Person 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person and one or more Wholly Owned Subsidiaries of such Person.