

Presentment Date & Time: October 23, 2009 at 12:00 p.m. (E.T.)
Objection Deadline: October 23, 2009 at 11:30 a.m. (E.T.)

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- and -

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Ryan T. Routh

Attorneys for Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re : Chapter 11
Metaldyne Corporation, *et al.*, : Case No. 09-13412 (MG)
Debtors. : (Jointly Administered)
-----X

**NOTICE OF PRESENTMENT OF
STIPULATION AND AGREED ORDER BETWEEN DEBTORS AND
DEBTORS IN POSSESSION AND MD INVESTORS CORPORATION
PROVIDING FOR ENTRY INTO ACKNOWLEDGMENT AGREEMENT**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. The undersigned will present the Stipulation and Order Between Debtors and Debtors in Possession and MD Investors Corporation Providing for Entry Into Acknowledgement Agreement (the "Stipulation and Order") to the Honorable Martin Glenn, United States Bankruptcy Judge, in Room 501 of the United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004, for signature on October 23, 2009 at 12:00 p.m. (Eastern Time). A copy of the Stipulation and Order is attached hereto as Schedule 1.

2. Objections, if any, to the Stipulation and Order must be made in writing and received in the Bankruptcy Judge's chambers and by the undersigned not later than 11:30 a.m. (Eastern Time) on October 23, 2009. Unless objections are received by that time, the Stipulation and Order may be signed.

Dated: October 20, 2009
New York, New York

Respectfully submitted,

/s/ Ryan T. Routh

Richard H. Engman

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ATTORNEYS FOR DEBTORS AND
DEBTORS IN POSSESSION

Schedule 1

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re : Chapter 11
Metaldyne Corporation, *et al.*, : Case No. 09-13412 (MG)
Debtors. : (Jointly Administered)
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**STIPULATION AND AGREED ORDER BETWEEN DEBTORS
AND DEBTORS IN POSSESSION AND MD INVESTORS CORPORATION
PROVIDING FOR ENTRY INTO ACKNOWLEDGEMENT AGREEMENT**

Metaldyne Corporation and the above-captioned debtors and debtors in possession (collectively, the "Debtors") and MD Investors Corporation ("MD Investors"), by and through their respective authorized representatives, do hereby stipulate and agree as follows:

RECITALS

A. On May 27, 2009 (the "Petition Date"), Metaldyne Corporation and the other 30 Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). By an order entered on May 29, 2009, the Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered. The Debtors are authorized to continue to operate their businesses and manage their properties as debtors in possession, pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

B. In June 2009, the Debtors filed certain motions [Docket Nos. 214, 323] seeking Court approval of the sale of certain of their business units pursuant to section 363 of the Bankruptcy Code and the related assumption and assignment of certain executory contracts and

unexpired leases under section 365 of the Bankruptcy Code (collectively, the "Debtors' Sale Motions").

C. On August 12, 2009, the Court approved the Debtors' Sale Motions and authorized the Debtors to sell substantially all of their assets to MD Investors (the "MDI Investors Transaction") pursuant to the terms of a purchase agreement between Metaldyne Corporation and MD Investors, dated as of August 7, 2009 (the "Purchase Agreement"),¹ and the Court's Order (I) Authorizing the Sale of Substantially All of the Debtors' Assets Free and Clear of All Liens, Claims, Interests and Encumbrances, (II) Authorizing the Assumption and Assignment of Certain Executory Contracts and Leases in Connection Therewith and (III) Granted Related Relief [Docket No. 674] (the "Sale Order").

D. On October 16, 2009, the Debtors and MD Investors entered an acknowledgement agreement (the "Acknowledgement Agreement") to acknowledge certain items under the Purchase Agreement, a copy of which is attached hereto as Exhibit 1.

AGREEMENT

1. Agreement to be Bound by the Terms of the Acknowledgement Agreement. As indicated by the signatures of their respective authorized representatives below and on the Acknowledgement Agreement, in consideration of the foregoing premises and of the mutual agreements and covenants set forth in this Stipulation and Agreed Order and in the Acknowledgement Agreement, the parties agree to be bound by the terms set forth herein and in the Acknowledgement Agreement.

¹ All capitalized terms not otherwise defined herein have the meanings ascribed to them in the Purchase Agreement.

2. Effectiveness of Stipulation. This Stipulation and Agreed Order shall be effective immediately upon entry by the Court.

3. Miscellaneous. This Stipulation and Agreed Order (including the Exhibit hereto) constitutes the entire agreement between the parties with respect to the matters addressed herein and may not be modified except in a writing signed by the parties or further Order of the Court. This Stipulation and Agreed Order may be executed by the parties in identical counterparts, each of which when so executed and delivered will constitute an original, but all of which taken together will constitute one and the same instrument.

[Remainder of this page intentionally left blank]

Respectfully submitted,

/s/ Benjamin J. Steele

Christopher J. Marcus
Benjamin J. Steele
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601 Lexington Avenue
New York, New York 10022
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ATTORNEYS FOR MD INVESTORS
CORPORATION

/s/ Ryan T. Routh

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ATTORNEYS FOR DEBTORS AND
DEBTORS IN POSSESSION

No Objection:

/s/ Mark D. Silverschotz

Kurt F. Gwynne
Mark D. Silverschotz
Reed Smith LLP
599 Lexington Avenue
New York, New York 10022
Telephone: (212) 521-5400
Facsimile: (212) 521-5450

ATTORNEYS FOR THE UNSECURED
CREDITORS' COMMITTEE

SO ORDERED:

Dated: _____, 2009
New York, New York

UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

ACKNOWLEDGEMENT

This ACKNOWLEDGEMENT (this "Acknowledgement") is made as of October 16, 2009, by and between MD Investors Corporation, a Delaware corporation ("Buyer"), and Metaldyne Corporation, a Delaware corporation (the "Company"). Reference is made to that certain Purchase Agreement, dated as of August 7, 2009, by and between Buyer and the Company (as may be amended, modified or supplemented from time to time in accordance with the terms thereof, the "Purchase Agreement"). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Purchase Agreement.

WHEREAS, Buyer and the Company intend to acknowledge their mutual understanding with respect to the treatment of certain actions in respect of the Purchase Agreement, as set forth below.

NOW, THEREFORE, the parties hereto hereby acknowledge and agree as follows:

1. Twinsburg Facility. Notwithstanding Section 1.08(a) of the Purchase Agreement, which provides that a determination as to whether the Twinsburg Facility shall be a Powertrain Transferred Facility or an Excluded Facility shall be made as of the Closing, Buyer shall have until 30 days after the Closing to make such determination, and Buyer and the Company shall enter into a transitional agreement providing for the Company's operation of the Twinsburg Facility until such election is made.
2. German Promissory Notes. Notwithstanding anything in the Purchase Agreement to the contrary, (a) that certain Promissory Note, effective as of October 7, 2009, issued by Metaldyne Lux S.a r.l. in favor of Metaldyne Company LLC shall be deemed to be a Purchased Asset and (b) each of (i) that certain Loan Agreement dated as of February 2008, between Metaldyne Company LLC and Metaldyne GmbH and (ii) that certain Agreement dated as of November 2005, between Metaldyne Corporation and Metaldyne Zell Verwaltungs GmbH shall be deemed to be Assumed Liabilities.
3. Mexican Set-Off. Notwithstanding anything in the Purchase Agreement to the contrary, (a) each of those certain accounts receivable held by Metaldyne Sintered Components, LLC, with Metaldyne Sintered Components Mexico, S. de R.L. de C.V., as obligor, in the aggregate amount of \$3,849,647 as of the date hereof, shall be deemed to be Purchased Assets, and (b) each of those certain accounts payable owed by Metaldyne Sintered Components, LLC to Metaldyne Sintered Components Mexico, S. de R.L. de C.V., in the aggregate amount of \$5,447,592 as of the date hereof, shall be deemed to be Assumed Liabilities.
4. Net Settlement Amount. The parties acknowledge that, for purposes of the calculation of the Net Settlement Amount:
 - (a) in connection with the calculation of the Closing Net Settlement Amount, the parties shall not be entitled to further adjust (i) the employer portion of the employment Taxes included in the Estimated Net Settlement Amount on the

Closing in the amount of \$200,224 and (ii) the Pennsylvania state unemployment tax which was deemed to be \$0;

(b) Buyer shall be entitled to include any Administrative Claims that were incurred prior to Closing and assumed by Buyer during the Designation Period in connection with the designation of a Pending Contract as an Assigned Contract in the Closing Net Settlement Amount to the extent such Administrative Claims were not included in the Estimated Net Settlement Amount; and

(c) in addition to the other adjustments set forth therein, the calculation of the Net Settlement Amount shall be deemed to include a reduction for all property Taxes of the Company or the other Seller Corporations for the period commencing on the Petition Date and ending on the Closing Date to the extent such Taxes (i) are billed or assessed prior to the date which is 60 days after the Closing and (ii) are in excess of \$1,462,000; provided that such adjustment shall not exceed \$538,000.

5. Accounts Receivable. The parties acknowledge that the portion of the accounts receivable and inventory allocated to the Company in respect of the Retained Customers (as defined in that certain Greensboro Agreement, dated as of the date hereof, between Metaldyne Chassis Products, LLC and the Company) shall be deemed to be an Excluded Asset for all purposes under the Purchase Agreement (including without limitation for the calculation of Aggregate Transferred Inventory and Accounts Receivable).

6. Equipment Leases. The parties acknowledge that, in connection with the designation of the following during the Designation Period:

(a) if Buyer elects to have that certain Master Lease Agreement No. 63877 dated December 31, 2003 between Mitsui Leasing Capital Corporation and Metaldyne Company LLC (the "Mitsui Lease") become an Excluded Asset, Buyer shall pay Mitsui (on behalf of the Company) \$949,276 within 5 days of notifying the Company of such intent to designate such lease as an Excluded Asset with no effect on the Net Settlement Amount. If Buyer elects to have the Mitsui Lease become an Assigned Contract, it shall pay all Cure Costs (other than any Cure Costs which were included in the adjustments to the Closing Date Consideration), including the amount identified herein, with no effect on the Net Settlement Amount; and

(b) at any date chosen by the Buyer during the Designation Period, Buyer shall (i) in the case of that certain equipment lease memorialized in Equipment Schedule No. 9, with expiry date of February 26, 2013, between GATX Financial Corporation (as successor to Key Equipment Finance Inc.) ("GATX") and Metaldyne Corporation dated as of September 26, 2005 to the Master Equipment Lease Agreement dated as of July 11, 2002 (the "GATX Lease"), either pay GATX (on behalf of the Company) \$1,700,000 in order to purchase such equipment within 5 days of notifying the Company of such intent to purchase such equipment, or assume the GATX Lease with no effect on the Net Settlement Amount, and (ii) in

the case of that certain equipment lease between GATX (or an affiliate of GATX) and one of the Seller Corporations for equipment located in the North Vernon, Indiana facility with an expiry date of October 21, 2012 (the "Second GATX Lease"), Buyer shall either assume such Second GATX Lease or pay (on behalf of the Company) GATX (or its appropriate affiliate) an amount equal to the Administrative Claims incurred prior to the Closing Date associated with such Second GATX Lease, in each case with no effect on the Net Settlement Amount. If Buyer elects to have the GATX Lease become an Assigned Contract, or to buy certain equipment from the GATX Lease and have the remainder of the GATX Lease become an Assigned Contract, it shall pay all Cure Costs (other than any Cure Costs which were included in the adjustments to the Closing Date Consideration), including the amount identified herein, with no effect on the Net Settlement Amount; and

(c) if there is any resolution with respect to that certain lease, dated as of August 16, 2001, among Dyne (DE) LP and Metaldyne Lester Precision Die Casting, Inc., Metaldyne Machining and Assembly Company, Inc. and Metaldyne DuPage Die Casting Corporation, the costs of such resolution shall be borne by Buyer with no effect on the Net Settlement Amount.

7. Property Taxes. Notwithstanding Section 5.08 of the Purchase Agreement, to the extent the title company requires any property taxes that the Buyer has designated as an Assumed Liability and for which an adjustment has been made in the Net Settlement Amount be funded into a title insurance escrow account by the Buyer, such amounts shall be funded by Buyer.

This Acknowledgement shall be governed by, and construed and enforced in accordance with, the Bankruptcy Code, and, to the extent not inconsistent with the Bankruptcy Code, the laws of the State of New York, without regard to the conflicts of law rules of such State, other than Section 5-1401 of the New York General Obligations Law.

This Acknowledgement may be executed in counterparts or by electronically transmitted signatures, each of which will be deemed an original, and all of which together will constitute one and the same document. Delivery of an executed signature page to this letter by facsimile or other electronic transmission (including documents in Adobe PDF format) will be effective as delivery of a manually executed counterpart to this Acknowledgement.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned, intending to be legally bound, have executed this Acknowledgement as of the date first written above.

METALDYNE CORPORATION

By: Terry Iwasaki
Name: Terry Iwasaki
Title: Vice President, Chief Financial Officer and Treasurer

MD INVESTORS CORPORATION


By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the undersigned, intending to be legally bound, have executed this Acknowledgement as of the date first written above.

METALDYNE CORPORATION

By: _____
Name: _____
Title: _____

MD INVESTORS CORPORATION

By:  _____
Name: Shary Moalemzadeh
Title: Vice President and Secretary

The following acknowledgement is solely for the purpose of acknowledging the section of this Acknowledgement related to the German promissory notes:

ACKNOWLEDGED BY:

MetaldyneLux S.à.r.l.

By: Terry Iwasaki
Name: Terry Iwasaki
Title: Manager

Metaldyne GmbH

By: _____
Name: Yves Gerard
Title: Managing Director

Metaldyne Zell GmbH & Co. KG

By: _____
Name: Denis Bardou
Title: Managing Director


The following acknowledgement is solely for the purpose of acknowledging the section of this Acknowledgement related to the German promissory notes:

ACKNOWLEDGED BY:

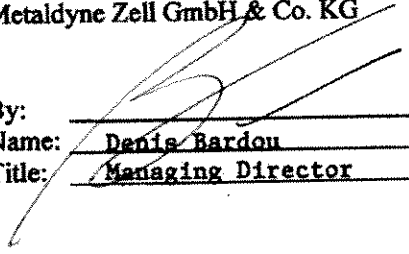
MetaldyneLux S.à.r.l.

By: _____
Name: Terry Iwasaki
Title: Manager

Metaldyne GmbH

By: 
Name: Yves Gerard
Title: Managing Director

Metaldyne Zell GmbH & Co. KG

By: 
Name: Denis Bardou
Title: Managing Director

[Signature Page – Acknowledgement re Purchase Agreement]