AK Steel Corporation
Thrift Plan B

IAM Local 1943
Hourly Employees

Summary Plan Description

Effective July 1, 2007

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INTRODUCTION

This booklet describes the principal provisions of the AK Steel Corporation Thrift Plan as of July 1, 2007. This plan covers certain IAM represented employees of AK Steel Corporation.

The AK Steel Corporation Thrift Plan provides a convenient way to save money regularly and build financial security for your retirement. You may choose two kinds of payroll contributions to the Plan: basic and supplemental. By choosing both kinds of contributions, you may put up to 20% of your base salary into the Plan, subject to IRS limits.

In addition to your contributions, your account will grow even more during the years in which the company makes a matching contribution. You will share in that contribution based on the amount of basic contributions you make to the Plan in those years.

The Plan gives you many tax advantages over other kinds of savings plans. For example, you can make contributions to the Plan on a pre-tax basis (subject to certain IRS rules that are explained in this booklet). You don't have to pay income taxes on matching contributions the company makes to your account or on the earnings made on your contributions until the funds are actually paid to you. In this way, the Plan gives you an excellent way to defer taxes until after you retire when you may be in a more favorable tax bracket.

Once your contributions and the company's contributions have been paid to the Trustee, they are not forfeitable. Your account is held for your benefit by an independent Trustee, and your account is 100% or "fully" vested if you quit, retire or die.

You can choose how to invest assets in your account, selecting from a variety of different investment funds. Both your contributions and the company's matching contributions will be invested in these funds according to your directions.

If you save regularly, your Thrift Plan account can soon become a sizable fund. The tax laws encourage you to think of it as a long-term investment designed to give you additional retirement income. Although the tax laws let you make limited hardship withdrawals, remember that there can be substantial financial penalties imposed if you make withdrawals before you retire.

The following pages explain the Plan in more detail. If you have any questions, you can call T. Rowe Price (the Plan's investment firm) at 1-800-922-9945 or access the internet at rps.troweprice.com.

This description is designed to explain the highlights of the Plan, but the formal Plan document and the Trust Agreement are the governing and controlling documents. This description was determined with reference to the circumstances applicable to most participants and does not fully cover unusual circumstances.

PARTICIPATION

Eligibility

Eligibility for participation under this plan was frozen for IAM members effective March 1, 1994. IAM members who qualified to participate and elected to participate prior to March 1, 1994, continue to be eligible for participation in the Plan.

Designation of Beneficiary

You are required to name a beneficiary. It is very important that you keep your beneficiary designation current, especially if there is a change in your family status.

If you are married, your spouse is automatically your beneficiary. To name any other person as your beneficiary, or to share your account between your spouse and any other person, federal law requires that your spouse consent in writing to the new beneficiary designation.

To change your beneficiary at any time, you'll need to complete a "Designation of Beneficiary" form. You can obtain a new "Designation of Beneficiary" form and a pre-addressed envelope in which to mail it by calling T. Rowe Price at 1-800-922-9945. "Designation of Beneficiary" records are kept on file by the company.

CONTRIBUTIONS

Contribution Amounts

You may elect to contribute from 1% to 100% of your weekly eligible base wage to the Plan through payroll deductions. Contributions into the Thrift Plan on your behalf for any calendar year may not exceed the maximum amount permissible by law. The amount you contribute must be a whole percentage of your weekly eligible base wage.

There are four types of employee contributions: pre-tax basic, after-tax basic, pre-tax supplemental and after-tax supplemental. You can choose to make all of your contributions on a pre-tax or on an after-tax basis or you can make some of them on a pre-tax basis and others on an after-tax basis.

Your elective contributions are applied to your base salary before they are reduced for any health care premium contributions to any other welfare or qualified retirement plan and before any other deductions are made. If your weekly eligible base wage changes, your contribution amount changes accordingly. Determination of your other AK Steel benefits is not affected by your election to make pre-tax contributions.

Pre-tax Contributions

Pre-tax basic and pre-tax supplemental contributions will be deducted from your pay before federal taxes are taken out; and, in most cases, they will be deducted before state and local taxes are taken out as well. This reduces the amount of taxes that will be withheld from your paycheck.

The pre-tax contributions and earnings on your pre-tax contributions are tax-deferred, not tax-free. You postpone paying taxes on them until they're paid out to you.

Pre-tax contributions are subject to restrictions on withdrawal before you reach age 59½ or before your employment with the Company terminates. Some employees prefer to make after-tax contributions to avoid these restrictions, or to mix their contributions between pre-tax and after-tax.

The following chart shows how pre-tax contributions can increase your take-home pay:

Suppose your annual earnings are $49,000, you are married, you claim two dependents, you file a joint income tax return, and you're setting aside 5% of your base salary into the Thrift Plan every year.	**If You Make Contributions On An After-Tax Basis**	**If You Make Contributions On A Pre-Tax Basis**
Your Annual Base Wage	$49,000.00	$49,000.00
Your Pre-Tax Basic Contribution	0.00	2,450.00
The Amount Of Your Pay Subject To Income Tax	49,000.00	46,550.00
Current Federal Withholding And Social Security Tax*	8,110.44	7,743.00
Your After-Tax Contribution	2,450.00	0.00
Your Take-Home Pay	38,439.56	38,807.00
Additional Take-Home Pay	**$0.00**	**$367.44**
*Based on 2007 tax tables. State and local income taxes are not included in this example.		

Keep in mind that federal tax laws limit the amount of pre-tax contributions you can make, the total contributions that certain highly-compensated employees can make, and the maximum after-tax contributions you can make. These limits may change each year. For information on the current limitations, call T. Rowe Price at 1-800-922-9945.

After-tax Contributions

All after-tax contributions you make are deducted from your paycheck after your withholding taxes have been calculated. Earnings on after-tax contributions accumulate tax-free until the earnings are distributed to you, so there is still a major advantage to saving in the Thrift Plan through after-tax contributions. *The Thrift Plan limits your maximum after-tax supplemental contribution to 10% of your base salary.*

Basic Contributions

All basic contributions you make, whether pre-tax or after-tax, are eligible for a matching contribution by the Company. Supplemental contributions are not eligible for company matching contributions.

Supplemental Contributions

If you make the maximum total basic contribution the Plan allows, you may also make supplemental contributions. However, all contributions are first considered to be basic contributions up to the limits shown on the chart below. This assures you qualify for the maximum share of the company's matching contribution to which you are entitled.

The following table shows the percentage of contributions you may make to the Plan.

Type of Contribution	Allowable Percentage of Base Wage	
	10, but less than 20 Years Continuous Service	20 or more Years Continuous Service
Total Basic Contributions	1 - 4%	1 - 5%
Pre-Tax Supplemental	1 - 96%	1 - 95%
After-Tax Supplemental	1 - 10%	1 - 10%

Catch-Up Contributions

Effective January 1, 2003, the Plan adopted new Catch-Up Contribution provisions in accordance with the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRAA). This new law gives you the opportunity to make additional contributions to the Plan above the Plan maximum or IRS maximum pre-tax contribution. You must be age 50 or older during the calendar year, January 1 through December 31, and making either the maximum Plan or IRS pre-tax contribution. The maximum annual catch-up contribution is limited to the amounts listed in the table below:

Year	Contribution Limits
2003	$2,000
2004	$3,000
2005	$4,000
2006	$5,000
2007	$5,000
2008	$5,000
2009	$5,500

After 2009, these catch-up contribution limits may be adjusted for inflation in $500 increments. You may need to make a separate election to take advantage of the catch-up contribution. You should call the T. Rowe Price at 1-800-922-9945 with any questions on this provision.

Company Contributions

The company may make matching contributions of up to 100% of the total basic contributions you put into the Thrift Plan. It will always pay these contributions in cash and invest them according to your choice of investment funds.

Changing the Amount of Your Contributions

Each month, you may change the percentage of your pre-tax or after-tax contributions. Changes can be made through T. Rowe Price by phone at 1-800-922-9945 or online at rps.troweprice.com.

Remember, your share of the Company's contributions is based on the amount of total basic contributions you make. So you should try to participate at the maximum level of basic contributions that you are allowed to make.

Temporarily Suspending Your Contributions

To stop your contributions to the Thrift Plan, you'll need to contact T. Rowe Price by phone at 1-800-922-9945 or online at rps.troweprice.com. To resume contributions, contact T. Rowe Price.

If you stop your contributions, the Thrift Plan requires you to wait three full calendar months before you can resume making contributions again. The company will not make matching contributions to your account for this three-month period, and you will not be able to make up your suspended contributions.

If you are on leave from the Company due to certain military service, you may have an opportunity to make up the contributions you missed during your absence upon your reemployment with the Company. Please contact your Benefits Administrator for details.

Rollover Contributions

If you receive a distribution from another qualified plan or trust, you may make a rollover contribution of any or all of the taxable part of the distribution to the Thrift Plan within 60 days of the date of the distribution to you. You cannot roll over any after-tax contributions you made to the other plan or trust into the Thrift Plan. All contributions and earnings are fully vested and non-forfeitable. If you make a non-qualified rollover by mistake, the non-qualified portion will be returned to you.

Rollover contributions can be invested in any of the Plan's investment funds, and are subject to all of the Plan's rules. If you are participating in the Plan, your choice of investment funds for your rollover contribution is independent of your choice of funds for the rest of your Thrift Plan investments. To make a rollover contribution, contact T. Rowe Price by phone at 1-800-922-9945 or online at rps.troweprice.com for a rollover packet and instructions.

INVESTMENT FUNDS

It is very important that the Plan comply with substantive provisions of ERISA Section 404(c). These provisions include providing you with a broad range of investment choices, information on those choices and control over investment direction. Having done so, Plan fiduciaries are relieved of liability for losses that could result from your investment instructions.

The money you save through the Thrift Plan will be managed by the funds manager based on your fund selection. You may invest the money in your Thrift Plan account by your choice of these funds:

- Allianz NFJ Dividend Value Fund (NFJEX)
- Columbia Acorn Z Fund (AUSAX)
- Columbia Marsico 21st Century Fund (NMYAX)
- Fixed Income Fund
- Morgan Stanley Institutional Core Fund (MPFIX) *(closed effective 2/01/2010)*
- PIMCO Total Return Instl. Share Class Fund (PTTRX)
- RS Partners Fund (RSPFX)
- RS Value Fund (RSVAX)
- Templeton Institutional Foreign Equity Fund (TFEQX)
- T. Rowe Price Balanced Fund (RPBAX)
- T. Rowe Price Emerging Markets Stock Fund (PRMSX)
- T. Rowe Price Equity Income Fund (PRFDX)
- T. Rowe Price Growth Stock Fund (PRGFX)
- T. Rowe Price Mid-Cap Growth Fund (RPMGX)
- T. Rowe Price New Horizon Fund (PRNHX)
- T. Rowe Price Retirement Funds
- T. Rowe Price Small-Cap Value Fund (PRSVX)
- T. Rowe Price Spectrum Income Fund (RPSIX)
- Vanguard Asset Allocation Fund (VAAPX)
- Vanguard Institutional Index Fund (VINIX)
- Vanguard Mid-Cap Index Fund (VMCIX)
- Vanguard Small-Cap Index Fund (VSCIX)
- Vanguard Total International Stock Index Fund (VGTSX)

Professional Management of Your Funds

The T. Rowe Price Retirement (Lifecycle) Funds provide you with the option to allow a professional funds manager to diversify your investments and automatically rebalance your investments among stocks, bonds and conservative bonds.

Manage Your Own Funds

If you prefer to manage your own funds, the Plan provides a wide range of funds for you to choose from. You can invest in one fund or in any combination of funds in 1% increments.

Contributions deducted from your pay are forwarded directly to T. Rowe Price which also serves as the Trustee and custodian for the Thrift Plan. They forward the appropriate amount of funds to each of the investment fund managers and also maintain your individual participant account.

The market value of the securities of the T. Rowe Price Funds may increase or decrease from time to time. The value may be above or below the securities purchase price. If you have any questions about these funds or would like to check their performance, contact T. Rowe Price.

Carefully consider the fund's investment objectives, risks, charges and expenses before making investment decisions. Contact T Rowe Price by phone at 1-800-922-9945 or online at rps.troweprice.com for a free prospectus.

Money Market/Stable Value

Fixed Income Fund

Contributions you invest in the Fixed Income Fund start earning interest from the date they're credited to your account. The rate of interest paid by this Fund is determined by aggregating the rates of return for various investment contracts that the Plan has with selected insurance companies and financial institutions. T. Rowe Price can tell you the current rate of return and other information about the Fixed Income Fund's investments.

Bond Funds

Morgan Stanley Institutional Fund Trust Core Plus Fixed Income Fund (closed)

This fund invests primarily in a diversified mix of dollar denominated investment grade fixed income securities, particularly U.S. government, corporate and mortgage securities. It ordinarily will seek to maintain an average weighted maturity between five and ten years.
Note: This fund was closed effective 2/01/2010 and mapped to the PIMCO Total Return Fund.

PIMCO Total Return Fund

This fund seeks total return consistent with preservation of capital. Intermediate-term bond funds have average duration that are greater than 3.5 years and less than six years. Most of the funds rotate among a variety of sectors in the bond market, based upon which appear to offer better values.

T. Rowe Price Spectrum Income Fund

This investment fund seeks a high level of current income with moderate share price fluctuation. The fund normally diversifies assets widely among a set of T. Rowe Price mutual funds representing specific market segments. It normally invests in domestic and international bond funds, a money market fund, and an income-oriented stock fund.

Stock Funds

Allianz NFJ Dividend Value Fund

The Allianz NFJ Dividend Value Fund is a large-value fund that focuses on large companies that are less expensive or growing more slowly than other large-cap stocks. These funds often feature investments in energy, financial, or manufacturing sections.

Columbia Acorn Z Fund

This investment fund seeks long-term grown of capital. The fund normally invests at least 80% of assets in U.S. companies. It may invest primarily in stocks of small- and medium-sized U.S. companies. The fund generally invests in the stocks of U.S. companies with capitalizations of less than $5 billion.

Columbia Marsico 21st Century Fund

The fund is an aggressive growth fund that invests in equity securities of companies of any capitalization size. The fund generally holds a core position of between 35 and 50 common stocks and focuses on companies that seek to take advantage of technological innovation.

RS Partners Fund

This fund invests principally in equity securities of companies with market capitalizations of up to $3 billion that are undervalued. It typically invests most of assets in securities of U.S. companies that may also invest any portion of assets in foreign securities. The fund at times may invest a portion of assets in debt securities and other income-producing securities.

RS Value Fund

This fund invests in stocks of various sizes and mixed characteristics, giving it a middle-of-the-road profile. The investment seeks long-term growth. It invests principally in equity securities that are undervalued; it may at times invest a portion of assets in debt securities and other income-producing securities.

Templeton Institutional Foreign Equity Fund

This investment fund seeks long-term capital growth. The fund normally invests at least 80% of assets in foreign equity security. It attempts to identify companies in countries and industries where economic and political factors, including currency movements, are likely to produce opportunities for capital growth.

T. Rowe Price Balanced Fund

This fund seeks long-term growth and income. Moderate allocation funds seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. These funds tend to hold larger positions in stocks than conservative allocation funds.

T. Rowe Price Emerging Markets Stock

The T. Rowe Price Emerging Markets Stock is an aggressive fund which seeks high long-term growth. It invests in companies in the emerging markets of Latin America, the Far East, Europe and Africa. This fund has a high level of risk because of its merging market exposure.

T. Rowe Price Equity Income Fund

The Equity Income Fund is a common stock fund that invests in diversified stocks and bonds for dividend income and potential growth of capital. Appropriate for intermediate-term to long-term investors who want a conservative equity investment and who can accept moderate financial risk.

T. Rowe Price Growth Stock Fund

The Growth Stock Fund is a blue chip common stock fund that invests in well-established companies for long-term capital appreciation. As T. Rowe Price's oldest fund, it is appropriate for investors who want long-term growth of capital and who can accept the higher risks of the stock market in return for potentially greater rewards.

T. Rowe Price Mid-Cap Growth Fund

The investment seeks long-term capital appreciation. The fund will normally invest at least 80% of assets in a diversified portfolio of common stocks of mid-cap companies whose earnings T. Rowe Price expects to grow at a faster rate than the average company.

T. Rowe Price New Horizons Fund

The New Horizons Fund is an aggressive common stock fund that invests in small, emerging companies for long-term growth of capital. It is appropriate for investors who want maximum long-term growth and who can accept a high degree of volatility. It should be considered risky, but offers the highest potential return.

T. Rowe Price Small-Cap Value Fund

The Small-Cap Value fund seeks high long-term growth. It invests in small companies that appear to be undervalued. Investing in small companies can be riskier than investing in large, well-established companies. This fund attempts to manage risk by buying stocks believed to be undervalued.

Vanguard Asset Allocation Fund

The Vanguard Asset Allocation Fund seeks high Income and long-term growth. It uses a flexible investment strategy to shift assets among common stocks, bonds and money market instruments as market conditions indicate. The fund may be less volatile than a fund that invests entirely in the stock market. To obtain a prospectus on this fund, call 1-800-662-7447.

Vanguard Institutional Index Fund

This fund seeks to replicate the aggregate price and yield performance, before fund expenses, of the S&P 500 Index. The fund invests in all 500 stocks listed in the S&P 500 Index in approximately the same proportion as they are represented in the index. The correlation between the performance of the fund and that of the index is expected to be 0.95 or higher.

Vanguard Mid-Cap Index Fund

This investment seeks to track the performance of a benchmark index that measures the investment return of mid-capitalization stocks. The fund employs a passive management investment approach designed to track the performance of the MSCI U.S. Mid-Cap 450 index, a broadly diversified index of the stocks of medium-size U.S. companies.

Vanguard Small Cap Index Fund

The fund employs a passive management investment approach designed to track the performance of the MSCI U.S. Small Cap 1750 index, a broadly diversified index of the stocks of smaller U.S. companies.

Vanguard Total International Stock Index Fund

The fund invests in three Vanguard funds: the European Stock Index Fund, the Pacific Stock Index, and the Emerging Markets Stock Index Fund. It allocates most of the assets based on the market capitalization of European, Pacific, and emerging markets stocks in the Total International Composite index.

T. Rowe Price Retirement Funds

The Retirement Funds are an option if you don't have the time or experience to select and keep track of your investments. Each Retirement Fund is a mutual fund comprised of a variety of other mutual funds.

Target date portfolios provide diversified exposure to stocks, bonds, and cash for those investors who have a specific date in mind for retirement or another goal. These portfolios aim to provide investors with an optimal level of return and risk, based solely on the target date.

Choosing a Retirement Fund

Once you decide a Retirement Fund is right for you, choose the fund whose target date is closest to the year you plan to retire. The funds assume a retirement date of age 65 as a guideline.

Year of Birth	Retirement Fund
1988 or later	T. Rowe Price Retirement 2055 Fund
1983 – 1987	T. Rowe Price Retirement 2050 Fund
1978 – 1982	T. Rowe Price Retirement 2045 Fund
1973 – 1977	T. Rowe Price Retirement 2040 Fund
1968 – 1972	T. Rowe Price Retirement 2035 Fund
1963 – 1967	T. Rowe Price Retirement 2030 Fund
1958 – 1962	T. Rowe Price Retirement 2025 Fund
1953 – 1957	T. Rowe Price Retirement 2020 Fund
1948 – 1952	T. Rowe Price Retirement 2015 Fund
1943 – 1947	T. Rowe Price Retirement 2010 Fund
1938 – 1942	T. Rowe Price Retirement 2005 Fund
1937 or earlier	T. Rowe Price Retirement Income Fund

The AK Stock Fund

Some participants previously had an investment in the common stock of Armco Inc., a predecessor of AK Steel Corporation. When Armco Inc. and AK Steel Corporation merged, the Armco Inc. common stock was converted to AK Steel Corporation common stock. No new investments can be made in this fund. Transfers can be made from AK Steel Corporation stock to other investments.

Participants who continue to hold investments in AK Steel Corporation stock should recognize that the investment of retirement funds in any single company's stock carries a great deal of risk due to the lack of diversification.

Investment Risk

An investment in a mutual fund is subject to the risk of market fluctuation. A mutual fund holds the securities of many different companies and provides investors with diversified holdings. The value of your investment in any of the T. Rowe Price mutual funds will increase or decrease from time to time based on the market value of the securities owned in the mutual fund. The value of your investment may be above or below the amount you have invested at any point in time.

An investment in AK Steel Corporation common stock or any stock through T. Rowe Price is also subject to the risk of market fluctuation. The investment of retirement savings in the stock of a single company is inherently riskier than an investment in a mutual fund because the investment is not diversified.

The Fixed Income Fund consists of a variety of investment contracts issued by various insurance companies and financial institutions. These contracts are like commercial bonds in that they generally promise to pay a specified rate of return on the investment at an agreed-upon maturity date. While these investment contracts are sometimes called "guaranteed" income contracts or GICs, the only guarantee that the rate of return will be paid or that the investment will be returned at maturity is the credit-worthiness of the financial institution that has issued the contract.

Investment Fund Changes

You may change the funds in which your contributions are invested by contacting T. Rowe Price by phone at 1-800-922-9945 during any workday or online at rps.troweprice.com. The change will be effective beginning with the next possible pay period. Remember, changing your choice of investment funds only affects future contributions and does not affect money previously credited to your account.

Balance Transfers between Investment Funds

You can have the Trustee move all or part of your existing account from any investment fund to another investment fund by calling T. Rowe Price at 1-800-922-9945 during any workday. You may transfer funds at any time. If your call is received by 4:00 p.m. (Eastern Standard Time), your transfer will be initiated that evening. If your call is received after 4:00 p.m., the transfer will be initiated the next business day.

Transfers out of AK Steel Corporation stock will be valued at the sale price minus brokerage fees. Proceeds from the sale of AK Steel Corporation stock will be reinvested within five banking days.

DISTRIBUTIONS

You can withdraw your money from the Thrift Plan in the ways discussed below. However, withdrawals will be subject to various income taxes, and may be subject to additional penalties.

No withdrawal should be made without first seeking advice from your own qualified tax advisor. For a general overview of possible tax consequences of various kinds of withdrawals, see "*Tax Information.*"

All distributions after death or termination of employment are paid in a single lump-sum. AK Steel Corporation stock will be distributed in whole shares (and cash for any fractional shares) unless, before the distribution, T. Rowe Price receives a timely direction to distribute the stock's value in cash.

What Can Be Withdrawn in Cash and What Can Be Withdrawn in Stock

Your investment in any of the T. Rowe Price mutual funds, the Vanguard Allocation Fund, other mutual funds and the Fixed Income Fund must be withdrawn in cash.

Investments in common stock can be withdrawn either in whole shares of stock or in cash. If you fail to provide a timely direction as to your choice, your AK Steel Corporation common stock will be distributed in whole shares (and cash for any fractional shares).

If you choose stock, you will receive a stock certificate registered in your name for the full shares credited to you and you will receive cash for any fraction of a share. If you choose cash, the Trustee can either buy your shares at their closing price as reported on the New York Stock Exchange – Composite Transactions on the valuation date of withdrawal or sell your shares in the open market. You will be required to pay all applicable transfer taxes and any other charges including brokerage commissions.

Withdrawing Your Money While You're Employed by the Company

Under certain conditions, you may withdraw money from your Thrift Plan account before you retire or otherwise terminate your employment with the Company.

You may make up to two regular withdrawals (as opposed to hardship withdrawals) during any calendar year. You will still be able to make contributions to the Plan, receive matching company contributions, and enjoy tax-protected earnings on your savings.

You can withdraw all or part of your after-tax contributions, all or part of the earnings on them, and company contributions that were made before January 1, 1992. Company contributions made after December 31, 1991, are only available for distribution upon your termination of employment, retirement or death. If you withdraw after-tax contributions made after 1986, you must also withdraw a proportionate amount of the earnings on those contributions.

Withdrawal of pre-tax contributions and their earnings is restricted by the IRS. Before you reach age 59½, you may only withdraw your pre-tax contributions upon termination of your employment, retirement, disability, death or for an approved hardship; and you cannot withdraw the earnings on your pre-tax contributions made after December 31, 1988, for any reason. After you reach age 59½, you can withdraw your pre-tax contributions and any pre-1989 earnings prior to termination of employment.

Any withdrawals you make of taxable monies (your pre-tax contributions, the company's contributions, and all the earnings on these contributions) before you reach age 59½ may be subject to an additional 10% early-withdrawal tax. Tax laws may impose other consequences even when you withdraw after-tax savings. For more details, see "Taxes on Withdrawals You Make While You're Employed by the Company."

To make a regular withdrawal from the Thrift Plan, call T. Rowe Price at 1-800-922-9945. Your withdrawal should be completed within seven to ten days. If you have an outstanding loan, the equivalent of the loan balance must remain in your account.

Hardship Withdrawals for Pre-tax Contributions

You may only take a hardship withdrawal from your pre-tax contributions to the Plan for one of the reasons listed below.

1. To Purchase a Home

You must submit a letter signed by you stating that the home will be used as your primary residence and that the withdrawal will be used to purchase it (and not to make mortgage payments). You must also submit a statement from your lending institution stating that you are purchasing a home and have applied for a loan from the lending institution.

2. To Pay for Educational Expenses

You must submit a letter signed by you stating that the withdrawal will be used for educational expenses for you or a qualified dependent of yours. You must also submit proof from the school that the dependent is enrolled. The withdrawal can only be for tuition, books, fees or room and board charges from the school for the coming year of post-secondary education.

3. To Pay for Medical Expenses

You must submit a letter signed by you stating that the withdrawal will be used for medical expenses. You will need to include Explanation of Benefits statements from the insurance carrier(s). You must also submit copies of all medical bills for you, your spouse or your dependents that were not covered or reimbursed by the Company's benefits or by other insurance.

4. To Pay for Eviction or Foreclosure Expenses

For a withdrawal to prevent eviction or foreclosure on the mortgage of your primary residence, you must submit a letter signed by you stating that the withdrawal is necessary to prevent your eviction from or foreclosure on your primary residence and documentation from your landlord or mortgage company concerning the eviction (regardless of whether you rent, lease or own the residence). The documentation from your landlord or mortgage company must specify the amount owed and that eviction or foreclosure is imminent.

5. To Pay for Funeral Expenses of a Parent, Spouse, Child or Dependent

You must submit a letter signed by you stating that the withdrawal will be used for funeral expenses. You must also submit proof from the funeral home or other facility that the withdrawal will be used to pay for the funeral expenses for a parent, spouse, child or dependent.

6. To Pay for Expenses Related to the Repair of Damage to Principal Residence

You must submit a letter signed by you stating that the withdrawal will be used for repair of damage to your home. You must submit proof of the damage to your home. The expenses for repairs are eligible for withdrawal if they qualify as a casualty deduction under Internal Revenue Code 165.

In each case, your letter must also state that the withdrawal is necessary to satisfy an immediate and heavy financial need and that the amount you are requesting does not exceed the amount necessary to satisfy that need.

The amount of the withdrawal must be at least $500. If you have an outstanding loan, the equivalent of the loan balance must remain in your account. Before you can withdraw the pre-tax contributions and earnings that are not normally available before you reach age *59½*, you must first use up all of your savings and earnings from your after-tax Thrift Plan accounts and available company contributions. You must also obtain all non-taxable loans currently available from the Thrift Plan or any other company plan in which you participate. You cannot withdraw earnings on your pre-tax contributions accumulated after 1988 until you leave the Company.

You will need to submit a Hardship Withdrawal Form which you can obtain by calling T. Rowe Price at 1-800-922-9945. Completed forms and documentation should be sent to your local administrator. A representative designated by the Benefit Plans Administrative Committee will review your request and determine if it meets the requirements for a hardship withdrawal. If your request is approved, your withdrawal will be processed within seven to ten days from the date on which T. Rowe Price receives approval from the Company. If your request is denied, you will be notified.

If your request is granted, your basic and supplemental contributions will be suspended for the 6-month period immediately following the date on which your hardship withdrawal request is approved. Also, the amount of pre-tax contributions you're allowed to make during the year that follows the year in which you take your withdrawal may be reduced.

Hardship withdrawal of pre-tax contributions and earnings may not be rolled over to an IRA or other qualified plan and are not subject to the mandatory 20% Federal Income Tax withholding. However, the taxable distribution is subject to ordinary income taxes in the year of distribution and may be subject to the 10% early withdrawal tax penalty. Hardship withdrawals may be grossed up to include these taxes.

Distribution upon Retirement or Termination of Employment

When you leave AK Steel, you may receive the full value of your account. If your balance is less than or equal to $1,000 (adjusted in accordance with Federal law), you will receive a lump-sum distribution (see "*Methods of Distribution*"). If your balance is greater than $1,000 and less than $5,000, your account balance will be rolled into a T. Rowe Price IRA unless you make another election within 60 days after retirement or termination of employment.

If your account balance exceeds $5,000 (or the amount adjusted in accordance with Federal law), the following distribution options are available to you:

- You may elect to immediately receive your entire account, or

- You may elect to defer the distribution of your entire account, but not later than January 1, of the calendar year in which you will attain age 70, or the date you specify at the time of your termination, if earlier.

If you defer your distribution, your account remains invested in the funds of your choice. You may transfer funds from one investment to another at any time. You may also choose to receive your account at any time, even before your selected payment year. However, you cannot extend the date of your distribution beyond your original election date. A lump-sum distribution request must be submited to your administrator when you want to receive distribution. No partial distributions are permitted after termination of employment or retirement. T. Rowe Price will assist you in this process. You should contact them at 1-800-922-9945 after your retirement or termination.

Methods of Distribution

Even if your account is $5,000 or less, you generally have three options as to how it will be distributed to you. Your after-tax contributions will be paid directly to you regardless of your election unless the plan receiving a direct rollover will accept the after-tax portion of your account.

The taxable portion of your distribution may be distributed by your selection of one of the following forms of payment:

- Lump sum paid directly to you. Any taxable distribution that is paid directly to you, that is, the check is made payable to you, is subject to a mandatory federal income tax withholding of 20%. Any taxable distribution which is paid to you may be rolled over to an IRA or other qualified plan and may include the amount withheld, but you *must* make the rollover contribution within 60 days of the time you receive the distribution.

- Any distribution of at least $200 may be paid in the form of a total direct rollover to an IRA or other employer's qualified plan, if that plan will accept a rollover from the AK Steel Thrift Plan. A total direct rollover means that all of your taxable distribution (if allowed, non-taxable distribution) will be made payable to your IRA or other employer plan on your behalf. If you hold AK stock in the Plan and the IRA or other employer plan will not accept it in a direct rollover, you may instruct T. Rowe Price to sell the stock before the distribution and your rollover will be made in cash.

- You may choose a partial direct rollover and have a portion of your taxable account rolled over to an IRA or other qualified plan and the balance paid directly to you. The minimum rollver in this case is $500.

If your account is $5,000 or less and you do not make an election for the method of distribution within 60 days after your employment terminates or you retire, your entire account will be distributed. If your balance is less that $1,000, then a lump sum payment will be paid directly to you. If your balance is greater than $1,000 and less than $5,000, your account balance will be rolled into a T. Rowe Price IRA.

Distribution of Your Account In the Event Of Your Death

You must name the beneficiary you want to receive your Thrift Plan account in the event you die before your account is distributed. If you're married, you must obtain the written consent of your spouse in order to name someone other than your spouse as your beneficiary. Your beneficiary will receive an immediate distribution after your death once the necessary forms are completed. Your spouse as a beneficiary may rollover the distribution in the same manner as described in "Methods of Distribution" above. If the beneficiary is other than your spouse, the distribution cannot be rolled to an IRA or other qualified plan and the distribution must be made in a lump-sum subject to the 20% mandatory tax withholding.

When Distributions from Your Account Will Be Mailed

Cash proceeds withdrawn from the Thrift Plan will be mailed approximately seven to ten days after T. Rowe Price receives all the necessary information. AK Steel Corporation Common Stock certificates will be mailed approximately six weeks after T. Rowe Price receives all of the necessary information to process your distribution.

Obtaining Loans from the Thrift Plan

If you are a Thrift Plan participant, actively working, receiving pay and eligible to contribute to the Plan, you can borrow from your Thrift Plan account for any reason. Loans are available under the following rules:

1. Each loan must be for a minimum of $1,000 and a maximum of 50% of your account balance but no more than $50,000 minus the highest outstanding loan balance you've had during the one-year period ending the day before the date of the loan, whichever is less. You must keep the equivalent of your loan balance in your account until your loan is repaid.

2. The money for your loan will first be taken from your after-tax contributions. If your after-tax contributions are not sufficient to cover the loan, the balance will be taken from your other contributions in the following order:

    a. *Available company matching contributions*
    b. *Your rollover contributions*
    c. *Your pre-tax basic contributions*

3. Loans made from funds that are subject to market fluctuations will be limited to 95% of the available amount in your account.

4. You can have only one outstanding loan at any one time. You must repay it in full before you can receive another loan.

5. You must repay the loan within five years unless the loan is for the purchase of a primary residence. In that case, you can take up to 10 years to repay. The minimum repayment is $50 per month.

6. The interest rate will be the prime rate plus two percent. The prime rate will be established by Chase Bank on the first market day of the month in which your loan application is approved. The interest rate for your loan is fixed for the life of the loan.

7. Loans must be repaid in equal payroll deductions on a level amortization basis. You can prepay your full remaining loan balance with a personal check, but you cannot make any partial or extra payments.

8. Loans must be made under a promissory note and secured by the balance in your account.

9. Repayment of loans will go into the investment funds you have currently chosen when each repayment is made. Principal and interest will be added back to your account as each payment is recorded. Interest will be recorded as earnings subject to tax when withdrawn.

10. Termination of active employment requires that you repay the loan, either by personal check or as part of your distribution from the Thrift Plan. Any taxable amount remaining on the loan will be reported as taxable income.

11. If payroll deductions cease due to layoff or disability, you must contact your Benefits Administrator to arrange for repayment. If the absence results in a temporary suspension of payments, loan payments will be accelerated when you return to work so that the loan is repaid in full within the time period established when the loan was made.

12. If default occurs, T. Rowe Price will make a “deemed distribution” of the outstanding loan balance. This means the loan balance will be reported to the IRS as having been distributed to you and any taxable portion will be subject to applicable taxes which may include a 10% penalty. Such deemed distribution will not relieve you of the necessity to repay the loan and applicable interest until such time as your plan account is distributed in full. You will not be eligible for another loan until the prior loan has been repaid.

To request a loan, call T. Rowe Price at 1-800-922-9945. If you meet the above requirements, a representative designated by the Benefit Plans Administrative Committee will grant your loan. Payroll deductions will begin in the first pay period of the month following receipt of your loan. If you do not meet the requirements for a loan, your request will be denied and you will be promptly informed.

TAX INFORMATION

Federal, state and local taxes on distributions from the Thrift Plan are subject to complex rules. Also, the taxes payable by any particular person are governed, at least in part, by the person's financial situation and by the reason for the distribution.

This section is designed to alert you to some of the general rules that apply to distributions from a tax-qualified plan like the Thrift Plan. You should not assume that any of these rules apply to you just because you have received money or other property from the Thrift Plan.

We urge you to seek competent help from a tax attorney or tax accountant before you make any withdrawal from the Thrift Plan. Do not rely on this general description of various tax rules for advice.

Taxes on After-Tax Contributions (Basic or Supplemental)

These contributions are taxed before they are deposited in your Thrift Plan account. No additional tax is payable upon distribution from the Thrift Plan. Earnings on these contributions are taxable (see "*Taxes On Earnings*").

Taxes on Pre-Tax Contributions

These contributions have <u>not</u> been taxed before being contributed to the Thrift Plan. So they <u>are</u> taxable income in the year they are distributed to you.

Most states and some local taxing bodies do not tax pre-tax contributions until you withdraw them. However, if you live in a state or locality that does tax these contributions, your pre-tax contributions will automatically be reported on a pre-tax basis for your federal income taxes and on an after-tax basis for your state and/or local income taxes.

Taxes on Company Matching Contributions

These contributions have <u>not</u> been taxed before being contributed to the Thrift Plan. So they <u>are</u> taxable income to you in the year they are distributed to you.

Taxes on Rollover Contributions from Other Qualified Plans

A rollover contribution is all or part of a lump sum payment that would have been taxable to you if you didn't make the rollover contribution. Since you did not pay any tax when you received the prior distribution because you "rolled" it into the Thrift Plan, this money is taxable income to you in the year you receive distribution.

Taxes on Earnings

Earnings include dividends in the AK Steel Corporation Stock Fund, interest on amounts you've invested in the Fixed Income Fund, increases in the market value of stock you own in the AK Steel Corporation Stock Fund and increases in the value of amounts you've invested in Vanguard or T. Rowe Price Investment Funds. All earnings accumulate in the Thrift Plan without being taxed. However, these amounts are taxed when they are distributed to you.

Losses on your investments are generally not deductible. You may be eligible for a tax loss deduction in certain rare situations in which the total amount distributed to you is less than the total you contributed as after-tax contributions. If you think you qualify, you should talk with your tax advisor before claiming any tax loss or deduction.

Taxes on Appreciation in AK Steel Corporation Stock

When the market price per share of your stock exceeds your average cost per share in the hands of the Trustee, the stock is said to "appreciate." Stock appreciation is not taxed while the stock is in the Thrift Plan, but may be taxed when you withdraw the stock. How your stock appreciation is taxed depends on the type of withdrawal you make and whether the stock is paid out in cash or in shares. These special rules are discussed below.

Taxes on Withdrawals You Make While You're Employed By the Company

Withdrawals of after-tax contributions you made before 1987 (but not earnings on those contributions) are not subject to tax.

Withdrawals of after-tax contributions you made after 1986 will be partially taxable. The amount you withdraw is required to include a part of the earnings on those contributions. The part that is earnings is taxable as ordinary income in the year of withdrawal.

Withdrawals of your pre-tax contributions, the company's contributions, your rollover contributions, or any earnings on any contributions will be taxable as ordinary income in the year of withdrawal.

"Early" and "excess" withdrawals may also be subject to additional taxes (see "*Additional Taxes*"). You will receive a statement telling you how much of your withdrawal is taxable when you make the withdrawal.

Special Rules for Withdrawal of AK Steel Corporation Stock While Employed By the Company

If you withdraw shares of AK Steel Corporation stock acquired with your own after-tax contributions, the difference between the fair market value on the date of distribution and your tax-basis in the shares (generally the value of the after-tax contributions used to acquire the stock) will be taxable as ordinary income in the year in which you sell the shares. Until you sell the shares, however, the appreciation is not taxable.

If the market value per share increases from the date you make the withdrawal through the date you actually sell the shares, the difference between the market value per share on the date you make the withdrawal and the price you receive on the sale of your shares is taxed for federal income tax purposes as either a long-term or short-term capital gain depending on how long you held the shares after the date you withdrew them.

If the market value per share decreases after you withdraw the shares, but does not fall below the average cost per share on the date you make the withdrawal, you have not suffered a loss for federal income tax purposes. The net unrealized appreciation earned on the sale of the stock is less than it would have been if you had sold the shares on the date you withdrew them.

If the market value per share decreases below the tax basis you have in the shares, then the loss is either a long-term or short-term capital loss depending on the period of time you held the shares.

If you withdraw shares of AK Steel Corporation stock purchased with company contributions, pre-tax contributions or earnings, the entire market value on the date you make the withdrawal is taxable for federal income tax purposes as ordinary income. That tax is imposed regardless of whether you take cash or the shares, and is not deferred until the date you sell the shares.

If you withdraw AK Steel Corporation stock while you are employed by the Company, you will lose the "net unrealized appreciation" tax treatment that may apply on a distribution of AK Steel Corporation stock after termination of employment. See "*Taxes On Withdrawals You Make When You Retire Or Leave the Company*."

AK Steel Corporation Stock Loss

If you make an in-service withdrawal of AK Steel Corporation stock at a time when the market value per share is less than your tax basis in the shares, *you may not* report the difference as a loss for federal income tax purposes. The loss is held in the Thrift Plan until your account is completely distributed to you and will be applied to adjust your taxable distribution.

Taxes on Withdrawals You Make When You Retire or Leave the Company

Your net taxable amount is computed according to the following formula:

Total Cash Received, **plus**
Market Value of Your Securities Received, **minus**
After-Tax Contributions, Net Loss, and Net Unrealized Appreciation, **equals**
Net Taxable Amount

Net Unrealized Appreciation (NUA)

If, on the date of distribution of your account in a qualifying “lump-sum distribution,” the market value per share is higher than the tax basis of the shares in the hands of the Trustee, that difference is called “net unrealized appreciation” (NUA). NUA is not taxed until you actually sell the shares. When you do sell them, any NUA is taxed as ordinary income for federal income tax purposes in the year of sale.

However, to the extent that the tax basis of the shares you receive is attributable to contributions other than after-tax contributions, the value up to the tax basis is taxable to you in the year of distribution as ordinary income.

Any difference between the taxable basis on distribution and the NUA realized on sale of the shares is taxable as long-term or short-term capital gains in the year of sale depending on the length of time you hold the stock after you receive it.

Tax Basis of Shares

Your tax basis in shares of AK Steel Corporation stock is not necessarily the amount you think you paid for the shares. Transfers to and from the AK Steel Corporation stock account in past years as well as in-service withdrawals could affect the tax basis of shares in the hands of the Trustee. You will need to determine the tax basis from information provided by T. Rowe Price at the time of distribution in order to properly report your income from the distribution.

Taxable Withdrawals

According to federal law, taxable withdrawals and other distributions that are not rolled directly to an IRA or other qualified plan are subject to mandatory federal income tax withholding of 20%. The withholding will only apply to the taxable amount of your distribution, not to your after-tax contribution.

If you receive part of your distribution in shares of AK Steel Corporation stock, the amount withheld can never be more than the amount of cash payable to you. The amount withheld will be the lesser of either 20% of the taxable portion or the total cash distribution or the amount of cash payable to you.

State Taxes

In some states, the law requires state tax to be withheld from all taxable retirement plan distributions. Please consult your tax advisor regarding state taxes on your distribution.

Additional Taxes

Certain taxable distributions or withdrawals you receive from the Thrift Plan before you reach age 59½ are subject to *an additional 10% tax*. You should not request any distribution without first seeking advice about this possible excise tax.

Because this additional tax is based on the taxable amount of the withdrawal or distribution, it will not apply to the extent that your distribution is rolled over into an IRA or another qualified plan.

The "*Tax Information*" section just provides a general summary of tax consequences that can result when you participate in the Thrift Plan. It is based on existing laws and regulations which Congress and the IRS can change at any time. Depending on how these laws and regulations are interpreted, there may be additional tax consequences that aren't described here, or the conclusions that are discussed here could be changed. There may also be state and local tax laws to consider.

The Company <u>cannot and does not</u> assure that any particular tax rule applies to you or your beneficiary or that relying on any discussion in this booklet is in your best interest. <u>You must consult a tax advisor</u> who knows your circumstances in order to understand the tax consequences of taking any action with regard to your interest in the Thrift Plan.

Reporting Taxable Income

Since some or all of the proceeds of a Thrift Plan withdrawal may be included in gross income, you may have to file an estimated tax payment for the year in which you receive a distribution.

The Trustee will report the taxable income portion of withdrawals you make while you're working for the Company and the taxable portion of lump sum distributions. This information will be provided to you and to the IRS on a Form 1099R. The Trustee mails these forms in January for the previous year's taxable activity.

LEGAL AND ADMINISTRATIVE INFORMATION

The following provides important information about the administration of the AK Steel Thrift Plan - B ("Plan") and your rights under the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is intended to qualify as a defined contribution plan under the Internal Revenue Code.

Plan Administrator

The AK Steel Corporation Benefit Plans Administrative Committee (BPAC) is the Plan Administrator and has the authority to interpret all plan provisions in administration of the Plan.

Your local plan administrator is your primary source of information regarding this plan. However, if the administrator cannot satisfactorily respond to your question or request for information within a reasonable time, you may write or contact BPAC at this address:

Benefit Plans Administrative Committee
AK Steel Corporation
9227 Centre Pointe Drive
West Chester, OH 45069

The Plan Administrator exercises its power solely in the interest of plan members and their beneficiaries.

Plan Trustee

Assets of the Plan are held by the following Trustee:

T. Rowe Price Retirement Plan Services
4515 Painters Mill Road
Owings Mill, MD 21117

The AK Steel Corporation Benefit Plans Asset Review Committee (BPARC) selects the Trustee, investment managers and investment options.

All Plan records are maintained on a calendar-year basis beginning on January 1 and ending December 31.

Your Account Statements

At least once a year, you will receive a statement showing your transactions for the preceding year including all of your contributions, the company's contributions, dividends, interest, losses, transfers, loans, withdrawals and rollovers.

Plan Administration Cost

There are generally three types of costs involved in the Plan: administrative fees, investment fees, and transaction fees.

Administrative fees cover the cost of operating the plan and include expenses for such items as recordkeeping, accounting, trustee services, auditing, consulting and legal services. Costs for account statements, educational materials, web sites, and customer service are also included in these fees. Some of these fees are paid out of fund assets and some of these fees are paid by the Company.

Investment fees cover the cost of managing plan investments, including the cost of professional management and research, prospectuses, annual reports, and other shareholder services. These fees are paid out of fund assets.

Transaction fees include charges such as fees for loan initiation and redemption fees. These fees are paid by the participant.

There may be additional types of fees depending on the investment options you choose. The prospectus for each fund contains details about the fund's investment goals, strategy, and additional information about the fund's management fees and expenses. You can request a prospectus for any fund offering by calling T. Rowe Price at 1-800-922-9945.

Limitations on Rights

Participation in the Plan does not give you the right to remain employed by AK Steel.

Non-Alienation of Benefits

Except as may otherwise be required by law or pursuant to the terms of a Qualified Domestic Relations Order, your account under the Plan is not subject to any voluntary or involuntary alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution or encumbrance of any kind.

Qualified Domestic Relations Orders

The Plan will comply with any Qualified Domestic Relations Order as such term is defined in the Retirement Equity Act of 1984 by deducting amounts from a participant's account and paying the same over to the alternate payee as required by such order. Procedures regarding Qualified Domestic Relations Orders are available free of charge from your local plan administrator. If you are in the process of a divorce or separation that may involve an allocation of some of your benefits to your spouse or qualified dependent, you should contact your local plan administrator to obtain information and procedures.

Discretionary Authority of Plan Administrator and Other Plan Fiduciaries

In carrying out their respective responsibilities under the Plan, the Plan Administrator and other plan fiduciaries shall have discretionary authority to interpret the terms of the Plan and to determine eligibility for and entitlement to benefits in accordance with the terms of the Plan. Any interpretation or determination made pursuant to such discretionary authority shall be given full force and effect, unless it can be shown that the interpretation or determination was arbitrary and capricious.

Amendment, Modification or Termination

The Board of Directors of AK Steel or its delegate reserves the right to terminate, suspend, modify or amend the Plan from time to time if AK Steel deems it to be necessary or appropriate. If the Plan is amended, benefits you have earned prior to the amendment will be protected. If the Plan is terminated, you will immediately become entitled to receive your Plan account.

Plan Insurance

Your savings in the Plan are not insured by the Pension Benefit Guaranty Corporation (PBGC) to protect you if the Plan terminates or for losses on your investments in the Plan. The PBGC only protects benefits under pension plans, such as those in the AK Steel Noncontributory Pension Plan or Pension Agreements Plan.

"Top-heavy" Rules

The IRS has certain rules intended to ensure that tax-qualified retirement plans such as this Plan do not discriminate. A plan that primarily favors "key employees" — that is, owners, officers and highly compensated employees — is considered by the IRS to be a "top-heavy" plan. When a plan becomes top-heavy, special minimum benefit rules and accelerated vesting rules automatically become applicable. In the unlikely event that the Plan becomes top-heavy, you will be notified.

Appeals Process

If you apply for benefits under the Plan and believe that the Plan provisions have not been applied correctly or if you have any other claim regarding the Plan, you should first obtain a full explanation from your local plan administrator.

If such explanation is not satisfactory, you may submit a written appeal to BPAC which fully describes the nature of your claim and includes all information and documentation necessary for BPAC to consider your claim. If the claim is denied by BPAC in whole or in part, you will receive a written notice of the decision, along with a complete explanation of the specific reason(s) for the denial within 90 days (or, in special circumstances, 180 days).

If you believe your claim has been denied incorrectly or if you have additional information to submit in support of your claim, you may request that BPAC review its initial determination. Such request for review must be made in writing to BPAC within 60 days of receipt of the initial BPAC denial and include any additional information which you wish BPAC to consider. At this time, you or your authorized representative will have the right to review all pertinent Plan documents and submit issues and comments in writing. BPAC will review its initial determination and advise you of the decision in writing within 60 days after receipt of your request for review (or, in special circumstances, 120 days of your request). The decision on review will be final, conclusive and binding on all parties.

Agent for Legal Process

If you wish to bring legal action against AK Steel or the Plan, you must first exhaust the appeal procedures described above. Any legal process against the Plan in the event of an unresolved dispute over benefit plan provisions should be served to AK Steel's agent for service of legal process:

> Corporate Secretary
> AK Steel Corporation
> 9227 Centre Pointe Drive
> West Chester, OH 45069

Service of legal process may also be made upon BPAC and the Plan Trustee

Your Rights under ERISA

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA).

You have the right to:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, all plan documents, including copies of all documents filed with the U.S. Department of Labor, such as detailed annual reports and plan descriptions.

- Obtain copies of all plan documents and other plan information upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies.

- Receive a summary of the plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

- Receive copies of Forms 5500 from the Pension and Welfare Benefits Administration section of the U.S. Department of Labor.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plans. The people who operate the plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way in order to prevent you from obtaining a benefit to which you are entitled, or from exercising your rights under ERISA.

If your claim for a benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial, and you have the right to have the plan review and reconsider your claim (see "*Appeals Process*").

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive them, unless the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court.

If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about the plan, you should contact the Plan Administrator. If you have any questions about your rights under ERISA, you should contact the nearest office of the Pension and Welfare Benefits Administration section, U.S. Department of Labor listed in your telephone directory.

Under ERISA, each employee is to be provided with certain details about benefit plans. This information is listed below. If you need additional information, please contact the Plan Administrator.

LIMITATION OF ACTION

No legal action to recover Plan benefits or to enforce or clarify rights under the Plan under section 502 or section 510 of ERISA or under any other provision of law, whether or not statutory, may be brought by any claimant on any matter pertaining to the Plan unless the legal action is commenced in the proper forum before three years after the claimant knew or reasonably should have known of the principal facts on which the claim is based. Knowledge of all facts that a participant knew or reasonably should have known shall be imputed to every claimant who is or claims to be a beneficiary of the participant or otherwise claims to derive an entitlement by reference to the participant for the purpose of applying the three-year limitation.

IMPORTANT PLAN INFORMATION	
Plan Sponsor	AK Steel Corporation
Plan Administrator	Benefit Plans Administrative Committee
Name of Plan	AK Steel Thrift Plan-B
Plan Type	Defined Contribution
Plan Year	January 1 through December 31
Plan Trustee	T. Rowe Price Retirement Plan Services
Employer Identification Number	31-1267098
Plan Identification Number	005