



AK Steel Corporation
Voluntary Term Life Insurance

IAM Local 1943
Hourly Employees

Summary Plan Description

Effective March 15, 2007

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INTRODUCTION

This Summary Plan Description contains a description of the Voluntary Term Life Insurance Plan. It is intended for the information of employees designated by AK Steel Corporation (hereinafter “the Company”) as being eligible for participation in the Plan.

The policies and contracts with the carrier and the policies and interpretations of the carrier and the Benefit Plans Administrative Committee (BPAC) contain the complete terms and conditions of the Plan. All statements in this booklet are subject to the detailed provisions of such policies and contracts.

FORMER ANNOUNCEMENTS

The following is an outline of certain policy procedures and benefits for your general guidance. All previous announcements from any and all sources, whether written or oral, made concerning this Plan are superseded and canceled by this statement.

ELIGIBILITY

You will be eligible to participate in the Plan if you are an hourly employee represented by the International Association of Machinists, AFL-CIO, IAM Local Lodge 1943 at AK Steel Middletown Works and work at least 20 hours per week.

COVERAGE

In addition to the Company provided Basic Term Life Insurance, you can purchase additional term life insurance coverage for yourself of up to \$250,000 in increments of \$50,000. The cost for coverage is based on your age and the amount of coverage you choose.

Guaranteed Coverage

If you are a new hire, and you elect coverage within 31 days after you are eligible, you may elect up to the maximum coverage without having to provide evidence of good health. If you elect coverage more than 31 days after you first become eligible or if you increase your coverage after your initial election, acceptable evidence of good health must be provided, and coverage will not be effective until approved by the insurance carrier. Your local benefits administrator will advise as to what you must do to provide evidence of good health at the time it is required.

When you Reach Age 65

At age 65, providing you are still an active employee, your VTL coverage will decrease to 75% of the benefit amount. It will decrease to 50% at age 70 and 25% at age 75. You may convert the coverage lost to private policies.

Other VTL Benefit Features

Accelerated Death Benefit — Terminal Illness

If you are diagnosed by two unaffiliated physicians as terminally ill with a life expectancy of 12 months or less, the accelerated payment benefit for terminal illness provides for up to 50% of the life insurance coverage amount in force or \$125,000, whichever is less, to be paid to you. This benefit is payable only once in your lifetime, and will reduce the life insurance death benefit. The terminal illness benefit may be taxable. As with all tax matters, you should consult with a personal tax advisor to assess the impact of this benefit.

Continuation for Disability

If your active employment ends due to disability, this plan provides a continuation of coverage feature. If you are disabled prior to age 60, your coverage will continue while you are disabled. This benefit will remain in force until the earliest of the following dates: the date you are no longer disabled, the date the policy terminates, or the day after the period for which premiums are paid. This benefit will be continued for up to 24 months from the onset of disability, with payment of premium. You are considered disabled if, because of injury or sickness, you are unable to perform all the material duties of any occupation for which you may reasonably become qualified based on education, training or experience.

What Is Not Covered

VTL will not pay benefits if loss of life is the result of suicide that occurs within the first two years of coverage.

When Your VTL Coverage Begins and Ends

Coverage will ordinarily be effective as of the date you become eligible and you enroll. Coverage will be effective when the insurance carrier approves coverage which requires evidence of good health. If you are not actively at work on the effective date of coverage, your coverage will not begin until you return to work. Your coverage cannot be terminated as long as you remain eligible, the premium is paid and the group policy remains in force.

Continuation of Coverage after Termination of Employment

You may continue all of your VTL coverage if your employment terminates. Premiums may change at this time. You will need to make arrangements with the insurance carrier to pay your premiums directly to the insurance company. As long as the group policy remains in force, the option of continuing this coverage is available up to your age 70.

Converting Your VTL Coverage to Permanent Life Insurance

If group life insurance coverage is reduced or ends for any reason except nonpayment of premiums, you can convert to an individual policy. No medical certification is needed. To convert coverage, you must apply for the conversion policy and pay the first premium payment within 31 days after your group coverage ends. Converted policies are subject to certain benefits and limits as outlined in the conversion brochure which may be requested as needed. Premiums may change at this time.

ENROLLMENT

Once you enroll, your elected coverage for Voluntary Term Life will remain in effect for as long as you are eligible to participate until you terminate or change it. You do not have to reenroll for coverage each year. If you wish to enroll for the first time after your initial eligibility or increase, decrease or terminate any coverage, you should contact your local benefits administrator. If you enroll for Voluntary Term Life for the first time after your initial eligibility or if you increase VTL coverage at any time, evidence of medical insurability will be required and coverage will not be effective until approved by the insurance carrier.

COST OF COVERAGE

The full cost of coverage for the Plan will be paid by the employee.

BENEFICIARIES

Any part of the Voluntary Term Life insurance for which there is no designated beneficiary living at your death, will be payable in a single sum to the first surviving class of the following classes of successive preference beneficiaries:

1. Your widow or widower,
2. Surviving children,
3. Surviving parents,
4. Surviving brothers and sisters, or
5. Executors or administrators.

In the absence of the appointment of a legal guardian, any minor's share may be paid at a rate not exceeding \$50 a month to such adult or adults as have in CIGNA's opinion assumed the custody and principal support of such minor.

HOW TO FILE A CLAIM

Your designated beneficiary will be provided the necessary forms for claiming the insurance proceeds by notifying the plant or office location at which you last worked.

PROOF OF CLAIM

Written proof of loss on which claim may be based must be given to CIGNA within 90 days after the date of the loss. Failure to furnish proof within the time specified will not invalidate or reduce any claim if it is shown not to have been reasonably possible to furnish proof within the time specified and that proof was furnished as soon as reasonably possible.

CLAIMS APPEALS

If your designated beneficiary has any question concerning a denial in whole or in part of benefits under the Plan, your beneficiary should write within 60 days from the date the claim was denied to the office of the insurance company who denied the claim. The appeal will be reviewed by that office and a reply made within 60 days of the date the appeal is received. If your beneficiary is not satisfied with the decision rendered by that office, your beneficiary may further appeal the claim by writing within 60 days from the date of the reply to the initial appeal to CIGNA Group Insurance, Pittsburgh Claim Service Center, Gateway View Plaza, 1600 West Carson Street, Pittsburgh, Pennsylvania 15219. Your beneficiary will be advised by that office of the final decision within 60 days.

FAMILY AND MEDICAL LEAVE ACT

Subject to the requirements of the Family and Medical Leave Act of 1993 (FMLA), as amended, any participant entitled to FMLA may continue his/her coverage and any dependent coverage under this Plan as if continually employed during the FMLA leave period. No new conditions or waiting periods will apply to the coverage upon your return to work. You may be entitled to FMLA for the following reasons:

- Birth of a child or placement of a child with you for adoption or foster care,
- To care for a seriously ill spouse, child or parent,
- A serious health condition that makes you unable to perform your job functions.

The company is responsible for determination for your eligibility, rights, or the length of leave period for FMLA, and shall notify the Plan for purposes of continuing your coverage under this Plan.

PLAN ADMINISTRATOR AND AGENT FOR SERVICE OF LEGAL PROCESS

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. The insurance carrier is your primary source of information regarding this plan. However, if the insurance carrier cannot satisfactorily respond to your question or request for information within a reasonable time, you should contact your local benefits administrator.

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

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

RIGHTS OF THE PLAN ADMINISTRATOR

The Benefit Plans Administrative Committee, the Plan Administrator, shall have the power and authority in its sole, absolute and uncontrolled discretion to control and manage the operation and administration of the Plan and shall have all powers necessary to accomplish these purposes. The responsibilities and authority of the Plan Administrator shall include, but not be limited to, the following.

- Determining all questions regarding the eligibility of employees to participate
- Determining the amount and kind of benefits payable to any participant, spouse or beneficiary

No action at law or in equity may be brought to recover under the Group Policy prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of the Group Policy. No such action may be brought after the expiration of 3 years following the time written proof is required to be furnished.

DISCONTINUANCE AND AMENDMENT

AK Steel Corporation has every intention of continuing the Plan, but, subject to the provisions of any collective bargaining agreement, the Company through action of the Benefit Plans Administrative Committee, reserves the right to amend, suspend or terminate the Plan or any premium payments and contributions on your behalf, in whole or in part for any reason. This may be done without the consent of any employee, beneficiary or any other person.

The company also reserves these rights, if required, in order to comply with the applicable requirements of the Internal Revenue Code or future ERISA regulations.

ERISA STATEMENT OF RIGHTS

As a participant in the AK Steel Corporation Insurance Benefits Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

Receive Information about Your Plan and Benefits

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work-sites and union halls, all documents governing the Plan, including insurance contracts, collective bargaining agreements and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.

Obtain, upon written request to the Plan Administrator, copies of all documents governing the operation of the Plan, including insurance contracts and collective bargaining agreement, and copies of the latest annual report (Form 5500 series) and updated summary plan description. 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.

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

If your claim for a welfare benefit under an ERISA-covered plan is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan review and reconsider your claim. 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 the materials, 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 or a medical child support 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.

Assistance with Your Questions

If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance obtaining documents from the Plan Administrator, you should contact the nearest office of the U.S. Department of Labor, Pension and Welfare Benefits Administration listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Ave., N.W., Washington, D.C., 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

IMPORTANT PLAN INFORMATION

Plan Sponsor	AK Steel Corporation
Plan Administrator	Benefit Plans Administrative Committee
Name of Plan	AK Steel Welfare Benefit Master Plan
Plan Type	Welfare Benefit Plan
Plan Year	January 1 through December 31
Employer Identification Number	31-1267098
Plan Identification Number	501