

PEMCO DIE CASTING CORPORATION

9864 Church St. P.O. Box 367 Bridgman, Michigan 49106 USA

[Notice to State of Michigan]

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NOTICE

TO: Mr. James Houck, Director
Workforce Transition Unit
Michigan Dept. of Career Development
Workforce Programs
Victor Office Center – 5th Floor
201 North Washington Square
Lansing, Michigan 48913

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WORKFORCE TRANSITION

FROM: Terrence J. Allen, Chief Executive Officer

DATE: July 24, 2003

RE: Notice of Facility Closing Pursuant to the Worker Adjustment and Retraining Notification Act of 1988 (“WARN”)

This notice is being given to you under the Worker Adjustment and Retraining Notification Act of 1988 (“WARN”). WARN requires employers to give official notice to the certain governmental units or officials of a pending plant closing or mass layoff.

As you may be aware, Pemco Die Casting Corporation has been in business in Bridgman, Michigan since 1946. Due to changed business circumstances, however, the Corporation plans to permanently shut down its Bridgman operation. As a result, 234 employees of the Corporation’s operation at 9864 Church Street, Bridgman, Michigan will be permanently laid off. Certain employees have bumping rights pursuant to the collective bargaining agreement between PEMCO and the Paper, Allied-Industrial Chemical and Energy Workers’ International Union (“PACE”) and its Local 6-0547.

Although the exact timing of the closing has yet to be determined, it is anticipated to take place between August 30, 2003 and September 30, 2003. The closing date will be dependent upon the need to accomplish an orderly transition for customer-owned tooling and completion of work-in-process inventories. As the transition process develops, the separation schedule will be prepared and/or revised and will be provided to the Union and posted at the Bridgman facility. All employees of PEMCO are affected by this action.

PEMCO regrets that it was unable to provide additional notice of the closing, but the decision to cease operations was made necessary within the past few days. The Corporation’s largest customer, Cummins Inc, unexpectedly cancelled its orders with PEMCO and the Corporation was unable to obtain financing and additional business to allow it to continue operations. PEMCO has been actively seeking other financing, a possible sale of the operations, and additional business which, if obtained, would have allowed it to postpone or avoid the closing.



PEMCO had a reasonable belief that providing earlier notice of the closing would have precluded it from obtaining the financing or business.

PEMCO regrets that this action is necessary. The Corporation is developing plans to help ensure an orderly shut-down of operations, and will be meeting with representatives of PACE to address the effects of this decision on bargaining unit employees. The names and addresses of the chief elected union officials appear at the end of this Notice. We hope to accomplish this transfer with the least possible disruption to the lives of our employees and to the community.

If you have any questions, please contact me at (269) 465-6000, Ext 222.

Respectfully,



Terrence J. Allen
Chief Executive Officer
Pemco Die Casting Corporation

Paper, Allied-Industrial Chemical and Energy
Workers' International Union
Attn: Boyd Young
P.O. Box 1475
Nashville, TN 37202

Local 6-0547, PACE
Attn: Edward Kinne, President
4162 Red Arrow Highway
Stevensville, MI 49127