Alcoa Retirement Savings Plan Summary Plan Description

Effective August 8, 2014

This document constitutes part of a Prospectus covering securities that have been registered under the Securities Act of 1933.

This booklet together with other documents or information designated by the Company, is the Summary Plan Description (SPD) and the Prospectus of the Alcoa Retirement Savings Plan for Salaried Employees, the Alcoa Retirement Savings Plan for Bargaining Employees, the Alcoa Retirement Savings Plan for Hourly Non-Bargaining Employees, and the Alcoa Retirement Savings Plan for Fastener Systems Employees in effect as of August 8, 2014. When "Savings Plan" and "Alcoa Retirement Savings Plan" are used in this booklet, they refer to the Plan applicable to the participant. These Plans are governed by the Employee Retirement Income Security Act of 1974 (ERISA).

An SPD is intended to summarize the features of a Plan in clear, understandable, and informal language for participants. However, the governing terms of these Plans are contained in the official Plan documents under which the Plans operate. If there are any differences between this SPD and the Plan documents, the Plan documents will govern. In addition, the Plan governs over any other contradictory correspondence, including but not limited to statements of customer service representatives.

The Alcoa Retirement Savings Plan is a defined contribution benefit plan set up under section 401(k) of the U.S. Internal Revenue Code. It is intended to enhance your financial security in Retirement above the level of any pension and Social Security benefits you may have. The advantages of pre-tax contributions and tax-deferred growth make the Plan better suited to long-term, Retirement-oriented savings; the restrictions on pre-tax withdrawals and the additional tax on early withdrawals/payments make it less desirable for meeting short-term needs. The Company also intends the Savings Plan to operate as a Section 404(c) plan under ERISA, which means that you have investment authority over your account. Under ERISA and the Department of Labor's regulations governing ERISA 404(c) plans, the Company is not responsible for losses that may result from your investment choices.

The Company expects that these Plans will continue indefinitely. However, the Board of Directors of the Company or the Benefits Management Committee can amend, modify, suspend, or terminate all or part of the Plans at any time subject to the terms of any applicable collective bargaining agreement. You are fully vested in your Plan benefits. All cash and investments must be devoted to the purposes of the Plans, including payment of expenses of the Plans, before excess funds are returned to the Company. Your benefits under these Plans are not insured by the Pension Benefit Guaranty Corporation (PBGC).

These Plans do not create an obligation for the Company to continue your employment. In addition, the right of the Company to terminate your employment or take other personnel action is not limited by the effect that the action may have on your (or your beneficiary's) eligibility for benefits under these Plans.

Contents

Este es el resumen del plan de ahorros y de retiro. Si usted no entiende cierta parte de esta información, por favor llame a la línea de Alcoa 1-888-ALCOA123 (1-888-252-6212) y su llamada será transferida a un representante quien puede ayudarle con asistencia de un intérprete en español.

This document constitutes part of a Prospectus covering securities that have been registered under the Securities Act of 1933.

Key Features of the Plan

The Alcoa Retirement Savings Plan ("the Plan") is an important vehicle to help you build financial security for your Retirement. The Plan provides an ideal way for you to save and invest for a financially secure future by offering a number of important features:

- **Convenience:** Your contributions are deducted from your pay, making saving easy.
- **Automatic enrollment:** After 60 days of eligibility, you'll be automatically enrolled in the Alcoa Retirement Savings Plan at a contribution rate of 3 percent. You can choose to enroll sooner or opt out.
- **Automatic features:** You can choose to have your pre-tax savings contribution rate increase automatically or have your Portfolio rebalanced.
- **Tax savings and tax-deferred growth:** Your pre-tax contributions and investment earnings are not taxed until you withdraw them.
- **Company contributions:** Depending on your work location, the Company may match a portion of every pre-tax dollar you contribute, up to 6 percent of Eligible Earnings. In addition, depending on your work location and when you were hired, the Company may contribute a percentage of your Eligible Earnings, even if you decide not to make your own contributions to the Plan. Company contributions are immediately 100% vested.
- **Choice:** A wide range of investment options allow you to diversify your savings.
- **Investment tools:** Numerous online tools are available to help you with your investment decisions.
- **Easy to manage:** You can use your telephone or computer with Internet access to track and manage your savings.
- **Flexibility:** If you need to access your savings, you can take a loan or possibly make a withdrawal.
- **Portability:** If you leave the Company, your savings and Company contributions can go with you.

When you join the Plan, you are taking an important step toward planning for your future financial needs. The Plan helps make it simple for you to be a wise saver and investor, but it's up to you to take advantage of all that the Plan has to offer.

Web and Telephone Resources

For questions about the Plan or information on how to access your savings, you have the following resources:

- *Your Benefits Resources*™ (YBR) at http://resources.hewitt.com/alcoa – This interactive website is available 24 hours a day Monday through Saturday, and after 1 p.m. Eastern Time on Sunday. To access the YBR website, the Company requires you to use your personal user ID and password*.
- 1-888-ALCOA123 (1-888-252-6212) – This automated telephone system is available 24 hours a day Monday through Saturday, and after 1 p.m. Eastern Time on Sunday. The non-toll-free number for international callers is 847-883-0956. Hearing-impaired callers can use the AT&T Relay Service TTY at 1-800-855-2880. For telephone system access, you must enter the last four digits of your Social Security Number (SSN), your date of birth, and your password*.
- Customer service representatives – These specially-trained individuals are available weekdays from 9 a.m. to 5 p.m. Eastern Time by calling 1-888-ALCOA123 (1-888-252-6212). The representatives can answer any questions you may have about the Plan.

* Your user ID, the last four digits of your SSN, and password keep your personal Retirement information confidential and ensure that only you have access to this information. It is your responsibility to maintain the secrecy of any user ID, password, or electronic PIN that you use to access your account. If someone else gains access to this information, that person might be treated as you for purposes of taking actions on your account, such as payments and changes of address. If you ever believe that someone has or is about to access your account improperly, please call 1-888-ALCOA123 (1-888-252-6212) immediately.

Eligibility and Participation

Who Is Eligible

You are an eligible employee if you are a Full-Time Employee or Part-Time Employee <u>and</u> one of the following:

- a U.S. citizen or resident employed by a participating Subsidiary (see page 35), including employees temporarily assigned to a non-U.S. location;
- a non-U.S. citizen or resident employed by a participating Subsidiary (see page 35) on a long-term assignment whose payroll and benefits are provided by that Company; or
- a member of a unit or group of employees at a participating Subsidiary (see page 35) who is covered by a collective bargaining agreement that provides for participation in the Plan, or a member of a group of employees whose participation is approved by the Benefits Management Committee; or
- a Temporary Employee in one of the above groups who has completed one year of service.

If you are not in a class of employees described above, you are not eligible to participate in the Plan.

When Participation Begins

Participation in the Plan begins when you:

- are automatically enrolled 60 days after the day you were hired, rehired or became newly eligible; or
- request participation in the Plan prior to 60 days of the day you were hired, rehired or became newly eligible; or
- receive a company contribution of any type.

Shortly after you are hired, rehired or become newly eligible, you will receive an Alcoa Retirement Savings Plan Kit for New Employees that explains how to enroll. To enroll, you will need to log on to the system or call 1-888-ALCOA123 (1-888-252-6212).

A letter will be sent to your home containing a pre-assigned, temporary password. You will need to use this password the first time you access the system. Eligible employees can enroll earlier beginning on your first day of employment or eligibility if you choose to access the system by using your Social Security Number and creating a new password.

Beneficiaries

As soon as you start participating, it is recommended that you designate a beneficiary – the person(s) who will receive your account balance upon your death. You can name one or more beneficiaries and specify the percentage each beneficiary will receive. You will receive confirmation of your beneficiary designation(s) by mail.

- If you are married, your spouse is automatically your beneficiary. If you want to designate someone other than, or in addition to, your spouse as your primary beneficiary, your spouse's written consent is required. Once you make your beneficiary designation, a form will be sent to you with a section for your spouse's signature, which must be witnessed by a notary public. **The notarized form must then be returned as directed in order for the designation to take effect.**

- If you are not married and make a beneficiary designation, a form will be sent to you for your signature. **This signed form must be returned as directed in order for the designation to take effect.**
- If you do *not* name a beneficiary, your account will be paid to your spouse if you are married, or to your estate if you are not married.

For purposes of this Plan, spouse means your spouse as determined under federal law.

You should periodically review your beneficiary designation to make sure it is current. You can change your beneficiary at any time using the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212) and speaking with a customer service representative.

Your Contributions

Types of Contributions

The Plan allows you to make contributions several ways, including:

- pre-tax contributions
- after-tax contributions
- catch-up contributions, if eligible
- negotiated deferrals, if applicable
- rollovers

Contributions from Variable Compensation Awards are not allowed as of January 1, 2011.

You decide how much to contribute to the Plan. Your contributions (other than rollovers) are made conveniently through payroll deductions. Your contributions are 100% vested, which means you do not forfeit these amounts if you leave the Company.

Automatic Enrollment Pre-Tax Contributions

If you are a newly eligible or rehired eligible employee who is automatically enrolled in the Plan, 3 percent of your Eligible Earnings will be initially deducted from your pay on a pre-tax basis. You can change this amount (or cancel it entirely before it becomes effective) by using the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212).

Once you are *automatically enrolled* in the Plan, your contributions are subject to the Plan's provisions. This includes the automatic increase feature. This feature increases your contribution rate by 1 percent each April 1 (if your elections have been on file for at least three months) until it reaches 6 percent (see "Automatic Contribution Increase Feature" on page 9).

If you choose to stop contributing after you have been *automatically enrolled*, any contributions already deducted from your pay will remain in your account until you are eligible to receive a payment of pre-tax savings under the Plan.

Voluntary Pre-Tax and After-Tax Contributions

All current eligible participants can choose to save on a pre-tax basis, an after-tax basis, or a combination of the two. You decide what percentage of your Eligible Earnings you wish to contribute.

Effective January 1, 2011, all eligible employees may save the following percent of Eligible Earnings (in whole percentages):

- 1 to 25 percent of your Eligible Earnings on a pre-tax basis up to the maximum IRS dollar limit ($17,500 for 2014), or
- 1 to 10 percent of your Eligible Earnings on an after-tax basis.

You can save both pre-tax and after-tax contributions, but the most you can save is 25 percent. However, if you are at least age 50 (or are turning age 50 by the end of the year), you can contribute more than 25 percent through catch-up contributions (see page 8 for additional information).

What's the Difference between Pre-Tax and After-Tax Savings?
Pre-tax savings are taken from your pay before you pay federal income taxes. If you save on a pre-tax basis, you actually instruct the Company to deduct a percentage of your pay and deposit it to your Savings Plan account before any federal income taxes are withheld. Because the amount you have deducted is not included in your current federal taxable income, you defer paying federal income tax on that portion of your income as long as it remains in the Plan. When you receive a payment from the Plan, your pre-tax savings and earnings will be taxable for federal income tax purposes; however, you may be eligible for additional tax advantages at that time.

Most states and cities follow the federal income tax rules for pre-tax savings. However, depending on where you live, you may have to pay state and local taxes on pre-tax savings. Also, *your pre-tax contributions are subject to FICA taxes.* You should check with a professional tax advisor if you need additional information on how pre-tax contributions affect your individual situation.

After-tax savings are taken from your pay after federal income taxes have already been withheld. Any earnings on your after-tax savings will not be taxed as long as they remain in the Plan. When your after-tax contributions are paid to you, you will only pay federal income taxes on the earnings related to your after-tax savings. You should check with a professional tax advisor for additional information on how after-tax savings and earnings will affect your individual situation.

Example of Pre-Tax vs. After-Tax Savings
Your pre-tax contributions go directly into your account before federal income taxes are withheld. For example, Al is single, earns $50,000 per year, and wishes to save 6% of his Eligible Earnings. Based on these assumptions, Al will pay less in federal income taxes for the current year by contributing to the Plan on a pre-tax basis.

	6% Pre-Tax Contribution	6% After-Tax Contribution
Eligible Earnings	**$50,000**	**$50,000**
Pre-Tax Contribution	**$3,000**	**$0**
Federal Taxable Income	**$47,000**	**$50,000**
Estimated Federal Income Taxes*	**$7,606**	**$8,356**
After-Tax Contribution	**$0**	**$3,000**
Net Take-Home Pay	**$39,394**	**$38,644**
Increased Take Home Pay with Pre-Tax Contributions	**$750 ($39,394 less $38,644)**	**N/A**

* *Based on 2014 tax schedules with one personal exemption. In this example, Al will pay $750 less in federal taxes. So, by contributing on a pre-tax basis rather than on an after-tax basis, Al is able to increase his take-home pay. Your actual savings would depend on current tax rates, state of residence, and your own financial situation.*

Catch-Up Contributions

If you are at least age 50 (or are turning 50 by the end of the year) and are contributing at least 6 percent in pre-tax savings, you can choose to make additional **pre-tax** contributions of up to $5,500 adjusted annually.

Catch-up contributions will be listed separately on your paycheck and on your quarterly account statements. Your catch-up contributions will be invested in the funds you have selected for your other Alcoa Retirement Savings Plan contributions.

Catch-up contributions are made on a per-pay-period basis. If you elect this option, you must specify the dollar amount that you want to contribute **from each pay**. For example, if you enter $2,000, then $2,000 will be deducted from your next pay and contributed to your Savings Plan account. If your pay schedule changes after you make your election (for example, from monthly to twice monthly), you must adjust the total dollar amount you want to contribute **from each pay**.

Your catch-up contributions will automatically stop once you reach the maximum of $5,500 or at the end of the year, whichever occurs first. Catch-up contribution elections do **not** carry over from year to year. ***You must make this election each year as permitted by law.***

Negotiated Deferrals

If you're covered by a collective bargaining agreement that provides for negotiated deferrals (also known as cost-of-living adjustments or COLAs), these payments can be directed to your Plan account as separate pre-tax contributions. At some locations, negotiated deferrals are deposited automatically into your account.

Certain negotiated lump-sum payments may also be directed to your Plan account as separate pre-tax contributions if your applicable collective bargaining agreement provides for such deferrals.

Negotiated deferrals and lump-sum payments are invested based on your investment election in effect at the time the deferral is made.

Rollovers/Direct Transfers into the Plan

In general, you can directly transfer or roll over your savings from a previous employer's Qualified Plan or from an Individual Retirement Account (IRA) into the Alcoa Retirement Savings Plan. You must make the rollover contribution within 60 days of the date you receive the qualified payment from the prior plan or the date you withdraw the qualified payment from a Conduit IRA.

If you wish to make a direct transfer or rollover into the Plan, you can request a Rollover Contribution form by calling 1-888-ALCOA123 (1-888-252-6212).

Contribution Limits

Pre-Tax Dollar Limit: The IRS limits the amount you can save in the Plan annually on a pre-tax basis. The maximum amount you can contribute for 2014 is $17,500 (excluding catch-up contributions). The limit may be adjusted annually.

Compensation Limit: The IRS also limits the amount of your Eligible Earnings that can be used to calculate your percentage of savings. The limit currently is set at $260,000 for 2014. This limit may be adjusted annually. The amount will also be prorated for a Plan Year of less than 12 months and to the extent otherwise required by law.

Exceeding Legal Contribution Limits

If you participate in another 401(k) Plan or in a similar arrangement, your total pre-tax contributions to all plans may not exceed the IRS annual dollar limit. If your total pre-tax contributions exceed the dollar limit in effect for that year, it is your responsibility to notify the plan administrator of the plan you want to designate as the plan with the excess amount. If you designate this Plan as holding the excess amount, you must call 1-888-ALCOA123 (1-888-252-6212) and speak with a customer service representative to arrange to distribute the excess amount to you, plus any earnings attributed to that amount. You may want to consult a tax professional to determine your individual tax consequences.

Changing Contributions

You may increase, decrease, stop, or resume any voluntary contribution type at any time through the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212). Your change will take effect as of the first full pay period after your request is processed.

Automatic Contribution Increase Feature

The automatic increase feature is a convenient way to incrementally increase your pre-tax contribution rate to gradually build your savings over time.

It's easy to do. First, you select the target contribution rate you want to reach at some point in the future. If you are not already participating in the Plan, you must also select an initial contribution rate. Next, you choose the amount by which you want your contribution rate to increase each year until your target contribution rate is met.

Once you make your selections, the rest is done automatically. On April 1 of each year (if your elections have been on file for at least three months), your contribution rate will increase by your selected percent rate until your target rate is reached.

You elect the automatic increase feature via the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212). You can also adjust or stop your automatic increase election at any time. If you are a new employee who is automatically enrolled in the Plan (see "Automatic Enrollment Pre-Tax Contributions" on page 6), the amount you are contributing will be increased by 1 percent each April 1 (following at least three months of participation) until you reach the contribution rate of 6 percent. You can adjust or stop your automatic increase election at any time via the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212).

Company Contributions

Eligibility for Company Contributions

When you first become eligible to participate in the Plan, you'll receive a letter advising you of the amounts or percentages that will be contributed to your account by the Company, if applicable. This letter serves as supplemental information to this SPD and should be kept with this booklet.

Types of Company Contributions

Depending on your date of hire and your work location, the Company may contribute:

- Company matching contributions
- employer retirement income contributions (ERIC)
- discretionary contributions
- retiree medical savings contributions

Company Matching Contributions

Each location or division of the Company decides the amount of its matching contribution (if any) and will match a portion of every pre-tax dollar you save in the Plan, up to 6 percent of your Eligible Earnings. Catch-up contributions may also be matched in limited circumstances. After-tax contributions, negotiated deferrals and rollovers are not matched.

Company matching contributions are made each pay period. Effective on and after January 1, 2014, Company matching contributions will be invested in the same manner as your current investment elections. If you have not made any investment elections, Company matching contributions will automatically be invested in the appropriate Qualified Default Investment Alternative (QDIA) fund, based on your date of birth. See "Qualified Default Investment Alternatives (QDIA)" on page 14 for more information about the fund. Prior to January 1, 2014, Company matching contributions were invested automatically into the Alcoa Stock Fund. The January 1, 2014, change does not impact amounts already invested in the Alcoa Stock Fund. Company matching contributions are not taxed as long as they remain in your Plan account. You are 100% vested in any Company matching contributions, which means you do not forfeit these amounts if you leave the Company. Regardless of where the Company matching contribution is invested, you may transfer the amount between the Plan's investment funds at any time.

Employer Retirement Income Contributions (ERIC)

If you are an employee hired or rehired on or after March 1, 2006 or, as of such effective date provided under the terms of your collective bargaining agreement or by your work location, and you are not eligible for a defined benefit pension plan, you may be eligible to receive employer retirement income contributions in the amount of 3 percent of your Eligible Earnings, *regardless of whether you contribute to the Plan.*

Employer retirement income contributions are based on a percentage of your Eligible Earnings, which include your base compensation and, if applicable, any Variable Compensation Awards (excluding individual performance bonuses), incentive compensation, profit sharing, gain sharing, or other compensation plans approved by the plan administrator.

An employer retirement income contribution will be made each pay period based on your Eligible Earnings for that period. The contribution will be invested in the same manner as your current investment elections. If you have not enrolled in the Plan, your contributions will automatically be invested in the appropriate Qualified Default Investment Alternative (QDIA) fund, based on your date of birth (see “Qualified Default Investment Alternatives (QDIA)” on page 14). You are 100% vested in any employer retirement income contributions, which means you do not forfeit these amounts if you leave the Company.

Discretionary Contribution

Some locations offer a discretionary employer contribution as part of the Company-provided Retirement income benefits. If you are eligible, the Company will make the contribution to the Plan on your behalf, whether or not you currently participate in the Plan.

Individual locations decide whether to make a contribution in any given year based on current or accumulated earnings and profits during a plan year. If a discretionary contribution is provided, the contribution amount is based on either uniform dollar amounts or a percentage of your Eligible Earnings for that period.

Each location has the option to invest the discretionary contribution in the Alcoa Stock Fund. Otherwise, the contribution will be invested as follows:

- If you are currently saving, the contribution will be invested according to your current investment elections.
- If you are not currently saving, your contribution will automatically be invested in the appropriate QDIA fund, based on your date of birth (See “Qualified Default Investment Alternatives (QDIA)” on page 14).

Regardless of where the discretionary contribution is invested, you may transfer the amount between the Plan’s investment funds at any time. If the contribution is designated as “restricted”, you cannot withdraw it or take a loan against it while you are employed by the Company. However, if the discretionary contribution is designated as “non-restricted”, you may withdraw it or take a loan against it in accordance with Plan rules.

Retiree Medical Savings Contributions

If you’re covered by a collective bargaining agreement that provides for retiree medical savings contributions, you will receive such contributions if you were hired or rehired on or after the date specified in your collective bargaining agreement. Beginning on the date you complete one year of continuous service, the Company will make a contribution to the Plan on your behalf, whether or not you currently participate in the Plan.

Retiree medical savings contributions are made each pay period based on your hours worked and are invested automatically in the appropriate QDIA fund, based on your date of birth, and then can be transferred to other Plan funds at any time (see “Qualified Default Investment Alternatives (QDIA)” on page 14). You are 100% vested in any retiree medical savings contributions, which means you do not forfeit these amounts if you leave the Company.

Investments

The Plan offers a variety of investment options, ranging from a conservative stable-value fund to more risky and aggressive funds. This well-balanced selection gives you the opportunity to invest your savings among several different types of stock, Bond, and balanced investments funds.

Spreading your savings among different investments is called diversification — a strategy that lowers your investment risk and provides a better opportunity for account growth in the long term. Some funds are organized as Mutual Funds while others are Collective Trust Funds, separate accounts, or Company stock funds. Each option represents a different type of investment with its own degree of risk and potential return. This wide range of investments allows you to choose the mix that best meets your personal financial goals.

Important Information about Your Investment Choices

The Company intends the Plan to be an ERISA 404(c) plan, which means that you have investment authority over your account. Under ERISA and the Department of Labor's regulations governing ERISA 404(c) plans, neither the Company nor the Plan fiduciaries are responsible for losses that may result from your investment choices.

The safety of your investments in any of the Plan's options is the same as it would be if you made them outside of the Plan. The Company does not guarantee the safety of your investments. Your investment choices could result in investment losses, and you can lose money in the Plan. For these reasons, you are strongly encouraged to educate yourself on all available options *before* you make investment decisions.

Your enrollment kit and the *Your Benefits Resources*™ website contain basic information on all current available investment options. To receive a fund's complete Prospectus — which contains details such as operating expenses, financial statements, and past and current performance — visit the *Your Benefits Resources*™ website or call 1-888-ALCOA123 (1-888-252-6212).

Investment Options

The following core investment options are available under the Plan.

Asset Class	LifePath® Funds	Risk/Return
Target Maturity	BlackRock LifePath® Index Retirement Fund	Will vary from High to Low as Target Maturity Date Approaches
Target Maturity	BlackRock LifePath® Index 2020 Fund	
Target Maturity	BlackRock LifePath® Index 2030 Fund	
Target Maturity	BlackRock LifePath® Index 2040 Fund	
Target Maturity	BlackRock LifePath® Index 2050 Fund	
Asset Class	**Build Your Own Portfolio**	**Risk/Return**
Stable Value	Fixed Income Fund	Low
Intermediate Bond	Vanguard Total Bond Market Fund Index Institutional Plus Shares	Low
Balanced	American Funds American Balanced Fund	Low/Moderate
Large-Cap Equity	Vanguard Institutional Index Fund Institutional Plus Shares	Moderate
	American Funds Investment Company of America Fund	Moderate
	American Funds AMCAP Fund	Moderate
Mid-Cap Blend	Vanguard Extended Market Index Fund – Institutional Shares	Moderate
Global Equity	American Funds New Perspective Fund	Moderate/High
International Equity	Newton International Equities EAFE Plus Fund	Moderate/High
Small-Cap Equity	Mellon Small Cap Core Fund	High
Emerging Markets	Morgan Stanley Institutional Funds Emerging Markets Portfolio	High
Company Stock	Alcoa Stock Fund	High

You are not limited to one investment choice. You can invest in any one or a combination of the funds, in 1 percent increments, as long as the total equals 100 percent. Your investment choice applies to all the money you contribute, Company matching contributions, employer retirement income contributions and to any rollover contributions. Whatever mix you select remains in effect until you change it (see “Making and Changing Investment Elections” on page 16 for additional information).

In addition to the above core investment options, you may also choose investments through the Schwab Personal Choice Retirement Account® (PCRA), a self directed brokerage account. See “Investing in the Schwab Personal Choice Retirement Account® (PCRA)” on page 15.

All of the Plan investment options (except for the PCRA) utilize unit accounting. See “Accounting and Recordkeeping Practices” on page 47 for additional details.

Qualified Default Investment Alternatives (QDIA)

If you are automatically enrolled in the Plan and do not choose your own investment option(s) or have retiree medical savings contributions, any contributions will be invested in one of the qualified default investment funds – a BlackRock LifePath® Index Fund that's most appropriate for you based on your age. To determine your default investment fund, find the BlackRock LifePath® Index Fund that coincides with the year that you were born as outlined below.

If you were born:	Your default fund will be:
Before 1949	BlackRock LifePath® Index Retirement
Between 1950 and 1959	BlackRock LifePath® Index 2020
Between 1960 and 1969	BlackRock LifePath® Index 2030
Between 1970 and 1979	BlackRock LifePath® Index 2040
In 1980 or later	BlackRock LifePath® Index 2050

Each BlackRock LifePath® Index Fund is designed to shift your investment mix *gradually* from a greater concentration of higher-risk investments to a greater concentration of lower-risk investments, as you progress toward retirement age (age 65 assumed).

As always, you can change your investment elections or transfer your savings to other investment fund options, but you must take action and are encouraged to do so.

Investing in the Alcoa Stock Fund

The fund's return is directly linked to the performance of Alcoa Inc. Common Stock, although its actual return may vary slightly due to a small cash balance maintained by the fund to provide liquidity for participant-initiated withdrawals and transfers.

Participation in this fund allows you to vote in stockholder meetings based on the number of equivalent shares in your account. Your rights are the same as those of other stockholders. In addition to receiving an annual report, you will receive information about voting and a proxy before each annual meeting. Basic Prospectus information on this fund is provided on page BP-1 (see "Basic Prospectus Information").

The Alcoa Stock Fund option has been established as an employee stock ownership plan under the U.S. Internal Revenue Code of 1986, as amended, which allows you to choose how your Dividends are handled. You may elect to receive your Alcoa Stock Fund Dividends as taxable income or have them reinvested in your Plan account. You make your initial Dividend election when you enroll in the Plan. This election will remain in place for future years unless you change it.

You can change your Dividend election at any time via the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212). For all declared Dividends, the Plan will apply your election on file as of the fourth-quarter Dividend's record date. This means that each year you can either receive all Dividends as taxable income or reinvest all Dividends in the Plan. It is your responsibility to be aware of when Alcoa Inc. typically declares a fourth-quarter Dividend and ensure that your election on file fits your needs.

If no election is made, all Dividends will be reinvested automatically in your account.

All Dividends in a calendar year will be credited to your account as previously described. At year end:

- if you elected reinvestment of all declared Dividends, the Plan leaves the appropriate Dividend amount in the Alcoa Stock Fund option of your account; or
- if you elected to receive all declared Dividends as taxable income, the Plan removes the appropriate amount from the Alcoa Stock Fund option of your account at year end and issues a check to you.

Investing in the Schwab Personal Choice Retirement Account® (PCRA)

The PCRA is a self-directed brokerage account that allows you to select and manage investments from a variety of options that are not available in the Alcoa Retirement Savings Plan's core fund lineup. The PCRA is offered through Charles Schwab & Co., Inc., member SIPC/NYSE. You cannot use your PCRA to buy or sell shares from any of the other Savings Plan investment options, including Alcoa Inc. stock.

There are several differences between the PCRA option and the Plan's other investment options:

- You cannot direct payroll contributions into this option. Instead, you must first open a PCRA with Charles Schwab and then make deposits ($1,000 minimum). You fund your PCRA by transferring existing money from your other Plan investment options.
- It is your responsibility to manage your own investments within your PCRA. This differs from other Plan options, which are managed by professional Portfolio managers whose job is to monitor and analyze the performance of the underlying securities they choose.
- The Charles Schwab standard commission fee schedule applies to all trades you initiate through the PCRA. There may be other applicable fees, depending on the investments you choose.

The PCRA option can fall anywhere from conservative to aggressive on the investment spectrum, depending on the type of investments you choose to make and the level of diversification you have within your PCRA. As with all investment options in the Plan, you can lose money investing in the PCRA option. In addition, investments made in the PCRA may become delisted from recognized stock exchanges, which may prevent you from being able to liquidate the investment and may result in a zero dollar value being attributed to that investment. If stock becomes delisted, your account balance could fall below $5,000 and you could be cashed out of the Plan in accordance with the section of this SPD titled "Distributions After You Stop Working." No in-kind withdrawals are permitted from the PCRA, meaning that you cannot receive a distribution of the shares of stock or other investments held in the PCRA.

Costs Associated with Plan Participation

The Company closely monitors the performance, investment management fees, and expenses of each fund offered in the Plan. All Plan participants pay fees associated with fund expenses and administrative expenses of the Plan. Fund expenses consist of the charges associated with the management and operating expenses of the investment fund. These include commissions and fees charged when shares are sold. The total fund expenses for an investment option vary and are disclosed as an expense ratio, which is the percentage of fees deducted from the assets within the fund. In addition, each core fund option includes an additional administrative fee. This fee covers the costs of the administration of the Alcoa Retirement Savings Plan and includes items such as the cost of communication materials, recordkeeping, audit and Trustee fees in addition to operating a call center and website. The fee included in each fund option is currently set at 0.05% or $5 per year for every $10,000 of investment and is paid to the Plan. The Company closely monitors administrative fees and may periodically increase or decrease this 0.05% fee consistent with the costs of the administration of the Plan.

As a general rule, “transaction” or “load” fees (fees charged for buying or selling shares) are not charged when you elect a particular investment option. The fund managers typically waive these fees because of the large amount of assets invested by Plan participants.

Certain investment funds may also impose redemption fees if you request multiple fund transfers within a specific number of days. These fees are applied to the market value of shares, and then deducted from the amount transferred and returned to the fund manager(s). (See “Transferring Existing Savings between Investments” on the next page for information about timing restrictions.) Redemption fees apply only to fund transfer requests. Redemption fees do not apply to new contributions, loan repayments, and new loan or payment requests. For additional information about redemption fees, refer to the fund’s Prospectus.

For the Alcoa Stock Fund, the Alcoa Stock Fund pays all brokerage fees associated with the stock purchase made by your payroll deduction. If you withdraw stock from your Plan account in the form of shares (i.e. “In-Kind Distribution”) and subsequently sell it, you are required to pay any brokerage fees for its sale.

For more details about expenses and fees, you can request a Prospectus for any of the Plan’s investment funds via the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212).

Making and Changing Investment Elections

You have the flexibility to change your investment elections at any time by using the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212). Your elections must be made in increments of one percent in any one or a combination of the available investment funds, as long as the total equals 100 percent.

Remember that a change in your investment elections affects only *future* contributions to your account. Your requested change will take effect as of the first full pay period after your request is processed.

Transferring Existing Savings between Investments

You can manage your existing savings two ways: You can request a transfer of existing amounts (in $1 or one percent increments) between investment options, or you can elect the automatic rebalancing feature that will automatically rebalance your account every 90 days based on your current investment elections.

Transfer requests can be made through the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212).

The automatic rebalancing feature* allows you to diversify your investments by rebalancing your account every 90 days based on your investment elections. Once you elect this feature, your account balance will be automatically reallocated the next business day and every 90 days thereafter to maintain your investment allocations. You may start or stop the automatic rebalancing feature at any time through the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212).

**This feature is not available to SEC Section 16 Officers.*

Example of Automatic Rebalancing

You want to maintain an allocation of 50 percent in a Bond fund and 50 percent in a large-cap equity fund. If you elect automatic rebalancing, then every 90 days the recordkeeper will rebalance your account according to your investment elections on file. If after 90 days you had a total account balance of $10,000, consisting of $4,000 in a Bond fund and $6,000 in a large-cap equity fund, the system would automatically realign your balance, so that you had $5,000 in both the Bond and large-cap equity funds.

Timing and Frequency of Transfers

Certain funds impose timing restrictions on how often balances can be transferred into or from individual funds. In general, most transfers can be made daily. Some funds restrict how soon assets may be transferred back into the fund following a transfer from the fund.

Any fund-specific frequency rules and restrictions apply when requesting transfers. Also, if you request more than one transfer during a day, only your last request by the business day's deadline will be processed. If you request a transfer earlier than allowed, you will be informed of when you can request your next transfer.

Deadlines/Valuation of Transfers

Fixed Income Fund and Mutual/Collective Trust Funds: If you want your transfer request to be effective on a given business day, you must make your request by 4 p.m. Eastern time on that business day or before the stock market closes, if earlier. If your transfer request is made by the deadline, it will be valued using the fund's current Net Asset Value (NAV) on that day as determined in accordance with the Plan's unit accounting practices. Requests made after 4 p.m. Eastern time or after the stock market closes will take effect the next business day and will use that day's NAV.

Alcoa Stock Fund: If you want to transfer money into or out of the Alcoa Stock Fund on a given business day, you must make your request by 8 a.m. Eastern time on that business day. If your transfer is made by this deadline, the fund's NAV will be valued using the average of the high and low share prices for Alcoa Common Stock at that business day's normal trading hours on the New York Stock Exchange (NYSE). Any transfer request involving the Alcoa Stock Fund that is made after 8 a.m. Eastern time will not be processed until the next business day and will use that day's NAV calculated as previously described.

Monitoring Your Investments

Each quarter, you will receive a statement of your Alcoa Retirement Savings Plan account, which will show the value of your savings as of the last day of the previous quarter and any transactions that have occurred during the most recent quarter. Your statement will be delivered to your preferred email or mailing address on file.

You are encouraged to access the *Your Benefits Resources*™ website and/or call 1-888-ALCOA123 (1-888-252-6212) for up-to-date information about your account, transactions and the Plan's investment options. Your account information on both of these resources is valued daily, updated nightly, and available virtually 24 hours a day Monday through Saturday, and after 1 p.m. Eastern time on Sunday.

- *Your Benefits Resources*™ website – You can print a paper copy of any of the site's account summary screens for your files. You may also access past and current performance for each of the investment fund options (except for the PCRA).
- 1-888-ALCOA123 (1-888-252-6212) – You can use the automated telephone system to obtain account information or request fund performance information. You also can use the system to request that a statement of your account be mailed to the address you have on file. You'll receive a statement showing the value of your investments as of the next business day after your phone request.

Access to Funds While Actively Employed

The Plan is designed to help you build financial security for your Retirement, so your access to funds is limited while you are actively working. However, you may have access to funds in your account through one or more of the following:

- non-hardship withdrawals of after-tax and rollover contributions;
- hardship withdrawals of pre-tax contributions;
- withdrawals for participants over age 59½; and
- loans.

The Plan is required to make annual distributions to you when you reach age 70½ if you are still actively employed. Additionally, the Plan also has the unique feature which allows you to request Dividends from your Alcoa Stock Fund investments (see “Investing in the Alcoa Stock Fund” on page 14).

Non-Hardship Withdrawals of After-Tax and Rollover Contributions

If you’re under age 59½: You may withdraw the current market value of your after-tax contributions, as well as any rollover contributions and any related earnings. If you have Company matching contributions made before January 1, 2011 and you have participated in the Plan for three years, you may withdraw these contributions and any related earnings. Company matching contributions and related earnings made on or after January 1, 2011 may not be withdrawn.

Hardship Withdrawals

If you’re under age 59½: A financial hardship withdrawal is the only way to withdraw your pre-tax contributions. Financial hardships, as defined under current federal income tax law, are limited to:

- extraordinary medical expenses (as described in IRS Publication 502) for you, your spouse, your children, your other legal dependents, or your primary beneficiary as designated on applicable beneficiary forms
- buying your principal home (not including mortgage payments, remodeling expenses, or the purchase of a retirement home if it is not intended to be your primary residence within six months of your request)
- college, graduate, or professional school tuition for yourself, your spouse, your legal dependents, or your primary beneficiary
- funeral expenses for your spouse, your children, your other legal dependents, or your primary beneficiary
- funds to avoid eviction from your principal home or foreclosure on the mortgage of your principal home
- any other expense that the IRS accepts as an immediate and heavy financial need.

You must also exhaust other avenues of meeting your financial need before requesting a hardship withdrawal. This means that you first must:

- withdraw all available after-tax and rollover contributions including any related earnings; Company matching contributions made before January 1, 2011 and any related earnings if you have participated in the Plan for three years; and
- take a loan from the Plan if you qualify.

There will be taxable income associated with a hardship withdrawal; therefore, you may increase the amount of your withdrawal to cover any taxes due. Pre-tax contributions withdrawn for a hardship withdrawal cannot be rolled over into another eligible employer plan or Individual Retirement Account.

In addition, once you take a hardship withdrawal, you will be suspended from contributing to the Plan (and from receiving any Company matching contributions) for six months. Discretionary and employer retirement income contributions will continue to be made if you have Eligible Earnings. Retiree medical savings contributions will continue if you have eligible hours worked.

A customer service representative can explain these rules and help you determine if your situation qualifies. Also, the amount you withdraw cannot exceed the amount necessary to satisfy your immediate and heavy financial need.

Withdrawals for Participants Over Age 59½

If you're 59½ or older: Except for the retiree medical savings contribution account, there are no restrictions on withdrawals from any of your account types and any related earnings. The retiree medical savings contribution account may only be withdrawn after you are no longer employed.

Withdrawal Procedures

Before you request a withdrawal from your account, you should understand that:

- you are permanently removing savings from your account and reducing your balance (and potentially reducing your future tax-deferred earnings);
- a reduced account balance also means you'll have less savings available for your future retirement; and
- there may be tax consequences, including penalties, associated with your withdrawal. You should consult with your tax advisor before making a withdrawal.

All withdrawals must be for a minimum of $250. Hardship withdrawals may be requested once each calendar month. Non-hardship withdrawals may also be requested once each calendar month.

Withdrawals may be requested via the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212). If your withdrawal request is made by 4 p.m. Eastern time on a business day, your request takes effect that day, and the amount available for withdrawal is determined using the appropriate NAV as of the close of the stock market on that day. If you are requesting a hardship withdrawal of pre-tax amounts, due to the strict IRS rules for hardship withdrawals, your request will not be processed until you complete, sign, and return the approval form as directed.

If the withdrawal amount you request exceeds the amount available at the time of processing, the amount of your request will be reduced automatically to the amount that is available. Your check will be mailed within 7 to 10 days following receipt of your completed withdrawal request.

Loans

While you're actively employed at the Company, the Plan allows you to take a loan from your account. There are two types of loans available: general purpose and primary residence. You may have one of each type of loan outstanding at any time. If you want to request an additional loan, you must first pay off one of your outstanding loans or refinance an existing loan.

Before you request a loan, however, you should be aware of the advantages and disadvantages of borrowing from your account. Some are listed here.

Advantages	Disadvantages
Loans carry no tax penalty.	You're reducing your Retirement savings.
Loans have a competitive Interest rate.	Loans impact the performance of your Retirement account, especially when markets are doing well by forgoing all potential investment gains on borrowed funds.
Interest is paid back to you.	You can't deduct the Interest on your federal taxes.
Repayment is made through convenient automatic payroll deductions.	If you leave the Company and don't repay your loan by the deadline, your loan balance is subject to taxes, and you may pay a penalty. Loans are paid back with after-tax dollars and will be taxed again when you take the money out of your account when you Retire.

General Purpose Loan: You may obtain one general purpose loan for any reason. Loan amounts can be requested in $1 increments, with a minimum of $1,000 and a maximum of $50,000 (your maximum may be less — see "Amount Available for Loan" on the next page). You may choose a repayment term of 12 to 48 months (1 to 4 years).

Primary Residence Loan: This type of loan is available only to purchase a principal primary residence. A primary residence loan cannot be used for remodeling or reconstruction of any type, nor can it be used to pay off or refinance an existing mortgage. Loan amounts can be requested in $1 increments, with a minimum of $1,000 and a maximum of $50,000 (your maximum may be less — see "Amount Available for Loan" on the next page). You may choose a repayment term of 60 to 300 months (5 to 25 years).

Processing Fee

You will be charged a $100 processing fee for each loan request. This fee will be deducted from your loan amount. For example, if you request a $1,000 loan, the payment you receive will be $900.

Loan Interest Rate

The Interest rate on loans is based on the Prime Interest Rate in effect during the week that your request is made plus 1 percent. This rate is set on Monday of each week. Since you are borrowing from yourself, the Interest you pay is credited to your account.

Amount Available for Loan

The minimum amount you may borrow is $1,000. The maximum is the lesser of:

- 50 percent of your account value minus any outstanding loan balance; or
- $50,000 minus your highest outstanding loan balance(s) across all Qualified Plans of the Company during the past 12 months.

Your ***account value*** is calculated as follows.

Your pre-tax savings and related earnings

plus after-tax savings and related earnings

plus any rollover savings and related earnings

plus Company matching contributions, non-restricted or restricted discretionary contributions, negotiated deferrals, employer retirement income contributions and related earnings on such contributions.

NOTE: Although restricted discretionary contributions, Company matching contributions made on or after January 1, 2011, employer retirement income contributions, and related earnings are used to calculate your account value, you are not permitted to actually borrow funds from these accounts.

Applying for a Loan

If you decide that borrowing from your Plan account is appropriate, you may apply for a loan by using either the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212). During the application process, you'll be asked to specify your desired loan amount and repayment term.

General purpose loans will be processed as soon as your request is submitted — no additional documentation or signature is necessary. Your loan will be valued on the day your request is processed.

If you request a primary residence loan, a loan application will be sent to you for completion. Your request will not be processed or valued until your completed form is received with the appropriate required documentation:

- signed sales agreement for the purchase of a primary residence (dated within 12 months of your loan request);
- written statement from the contractor stating the purchaser's total construction cost; or
- signed sales agreement if you're buying out an ex-spouse's interest in the residence.

A deadline for returning the application and documentation is provided on the application. If you do not return this information by the deadline, your pending loan request will expire.

Once your information is received for either type of loan, your loan will be processed and a loan promissory note will be sent to you as confirmation. The loan promissory note is a legal document that shows your loan amount, Interest rate, repayment amount, duration, and total repayments needed. There's no need to sign the promissory note, but you will want to keep it with your other personal financial records.

A check for your requested loan amount less any applicable processing fee will be mailed to you within 7 to 10 business days after you receive your loan promissory note. Cashing the check is deemed acceptance of the promissory note and its conditions.

How Loan Amounts Are Removed from Your Account: Your requested loan amount comes out of your total Plan account in the following order:

- your pre-tax savings and related earnings;
- any rollover savings and related earnings;
- your after-tax savings and related earnings; and then
- your Company matching contributions made before January 1, 2011, negotiated deferrals, and non-restricted discretionary contributions, and related earnings.

Each type of savings must be depleted before money for the loan may come out of the next type of savings. For example, before any after-tax savings/earnings are removed for a loan, all pre-tax and any rollover savings/earnings must be used.

Within each type of savings, your loan is taken from the investment funds in the same proportion as your current investment mix election.

Repayment: Loan repayments are deducted automatically from your paycheck on an after-tax basis and begin as soon as administratively possible following your loan request. When you repay your loan, you pay both Principal and Interest with each repayment. Your repayments are invested according to your current investment mix and are credited to your account in the following order:

- your Company matching contributions, negotiated deferrals, and non-restricted discretionary contributions, and related earnings made before January 1, 2011;
- your after-tax savings and related earnings;
- any rollover savings and related earnings; and then
- your pre-tax savings and related earnings.

If you are not receiving a regular paycheck (for example, due to a Layoff or if you leave the Company), you must mail a loan repayment each month. You will be sent a loan repayment kit with instructions for sending in your payment if you leave the Company, are on Layoff, or have an employment status change that prevents your loan repayment from being automatically deducted from your pay.

Early Loan Payoff: You may repay your loan in full, or you may prepay any portion of the outstanding balance of your existing loan without incurring any penalties. To do this, you must request an early loan payoff notice via the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212).

Once you have the payoff amount, you must submit a cashier’s check, money order, or certified check made payable to the Alcoa Retirement Savings Plan. Your loan will be paid off within the next payroll cycle.

If Your Loan Is Reamortized: If you change payroll cycles or previously worked for a company that was acquired by the Company and your savings under that employer's 401(k) Plan are merged into the Plan, any outstanding loans at the time of merger or payroll change may be reamortized to comply with Company payroll cycles and Plan provisions. If this occurs, you will be notified at the time your savings are converted into the Plan. Reamortization of an outstanding loan may result in a slightly different loan repayment deduction for the remaining term of the loan, but in no case will the original loan repayment term be extended.

Refinancing

You can refinance an original general purpose loan for an additional amount up to the maximum available to you. A refinanced loan:

- will be for the same repayment term as the original loan;
- must include an additional refinanced amount of no less than $1,000;
- will only be applied to a loan that has at least 12 months remaining; and
- may be requested once every 12 months.

Call 1-888-ALCOA123 (1-888-252-6212) and speak with a customer service representative if you want to refinance an existing loan.

Default

Your loan will be in default if you:

- are making manual repayments (due to leaving the Company, leave, Layoff, or disability) and you are more than 90 days behind in payment; or
- do not repay your loan by the scheduled end date.

When you default on your loan, your loan amount is treated like a payment to you. This means that the outstanding loan balance is subject to taxes and possibly tax penalties for early withdrawal. You may wish to consult with your tax advisor to learn more about this "deemed" payment and how it affects you.

The Company is required to report your defaulted loan amount to the IRS as a taxable payment. You will receive a Form 1099-R showing your outstanding loan balance as a payment to you. You'll need to report this taxable loan amount on your income tax return for the year and pay income taxes on it. **If you default on a loan from the Plan, you are prohibited from taking any future loans from the Plan.**

Military Leave: See "Military Leave" on page 31 for special treatment of loans.

If You Terminate Employment: See "Default" above for loan pay off requirements.

Mandatory Age 70½ Minimum Distributions

If you are actively working when you reach age 70½, you must start to receive a minimum distribution (payment) of your account balance beginning the April 1 after the calendar year in which you reach age 70½. Any voluntary withdrawals you request after age 70½ will apply to your required minimum distribution amount each year.

For your distribution in the year in which you reach age 70½ (your first payment), you have until the beginning of March of the following year to request the required amount from your account. Your second payment must be requested by the beginning of December of that same year. As long as you have savings in your account, a minimum distribution will occur in December of each year.

You will be notified in advance of each minimum distribution. If you have not previously withdrawn the required minimum amount for that year, or if you don't request the minimum annual distribution when required, the appropriate amount will be automatically paid to you. Any portion of your minimum annual distribution that is paid automatically will be paid in a manner designed to minimize taxability. This may result in the liquidation of a portion of all investment options.

The amount of your required minimum distribution is determined each year using your balance in the Plan on December 31 and life expectancy tables provided under applicable U.S. Treasury regulations.

Caution: Under current Plan rules, when you are no longer an active employee, and you reach age 70 you must receive a total distribution of your account. This provision is separate from the above 70½ Minimum Distributions.

Distributions After You Stop Working

When you terminate employment with the Company (including all companies in the Company's controlled group) you have the right to your account and you must make important decisions. You will receive information on your choices. You may receive a lump sum distribution equal to the total or partial value of your account or roll it over to another eligible employer plan or IRA account. Your election to receive the cash amount of your account or to roll it over to another eligible employer plan or IRA must be received within 90 days of termination of employment or the following default treatment will apply.

- If the market value of your account balance (excluding any prior rollovers into the Plan) **is over $5,000**, your savings will remain in the Plan until you reach age 70. However, you may request a total distribution at any time or request up to four partial payouts each calendar year. Each partial cash payout must be at least $250; amounts from the Alcoa Stock Fund can be received as shares in kind (actual stock certificate). Partial payouts of your account may be requested by calling 1-888-ALCOA123 (1-888-252-6212).
- If the market value of your account balance (excluding any prior rollovers into the Plan) is **more than $1,000 but $5,000 or less**, your account balance (including any prior rollovers into the Plan) will be automatically rolled over to a traditional IRA as soon as practicable after you terminate employment.

  Your rollover IRA will be invested in a fund designed to preserve Principal and provide a reasonable Rate of Return consistent with liquidity. You will be responsible for paying all fees and expenses assessed against your IRA.

  The fees and expenses will be comparable to the fees and expenses charged by the IRA custodian for other IRAs. After your rollover IRA is established, you can transfer the assets to an IRA at another brokerage institution or roll them over to another employer's eligible plan (if the plan permits rollovers).
- If the market value of your account balance (excluding any prior rollovers into the Plan) **is $1,000 or less**, your account balance will automatically be paid to you in a single lump-sum payment 90 days after your separation date (or as otherwise required by IRS regulations).

Under current Plan rules, once you reach age 70 you must receive a total distribution of your account.

For additional information related to the impact a termination or death may have on your savings in the Plan see "Impact of Employment Status Changes" on page 30.

Taxation of Distributions and Withdrawals

Each person's tax situation is unique. You are **strongly** encouraged to consult a professional tax advisor on how to handle any withdrawals or payments from the Plan before you request one.

Generally, you must include any distribution in your taxable income as ordinary income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution.

Early distributions prior to age 59½ may be subject to an additional 10% penalty tax unless an exception applies. Some exceptions are withdrawals or payments made:

- by totally disabled participants;
- as a result of Separation from Service, provided that separation occurs during or after the calendar year in which a participant reaches age 55;
- to the beneficiary or estate of a deceased Plan participant;
- to pay an alternate payee in accordance with a Qualified Domestic Relations Order; or
- for allowable medical expenses greater than 7½ percent of adjusted gross income.

Payment of this additional 10 percent tax is your responsibility. The Company does not withhold any part of this tax from your payment. You may wish to obtain IRS Publications 575 and 590 for additional information on tax treatment of distributions, including the additional 10% penalty tax.

When you request a withdrawal or payment, you will receive a Payment Rights Notice that explains in detail the tax consequences of receiving payment directly, transferring your payment into another eligible employer plan or IRA, or rolling over your payment after you receive it. This notice also contains information on income averaging and capital gains treatment. You should carefully review this notice and discuss any concerns you may have with your tax advisor. You will be given 30 days to make your selection, but you may elect to waive the 30-day period and receive your payment sooner.

Direct Transfers/Rollovers Out of the Plan

You are required to pay taxes on the taxable portion of amounts you receive from the Plan as a distribution or payout. You can, however, postpone current taxation in two ways — a direct transfer or a rollover.

Both methods involve moving all or a part of the taxable portion into another eligible employer plan or traditional IRA. If you use a direct transfer or a rollover, you may be taxed later when you take payment from the other employer's plan or IRA. If you elect to transfer a portion of a lump-sum payment (and have the remainder paid to you), you may do so only if the amount transferred to the other employer's plan or IRA is at least $500.

A direct transfer can be made via the *Your Benefits Resources*™ website or by calling 1-888-ALCOA123 (1-888-252-6212).

Withdrawal of After-Tax Contributions

Your Tax Basis is the amount of money in your account on which you have already paid federal income taxes — in other words, your amount of after-tax contributions. When making a non-hardship withdrawal of after-tax contributions from the Savings Plan, your Tax Basis determines the portion of the withdrawal that is taxable income (if any). When you withdraw after-tax contributions, your withdrawal is taken first from after-tax contributions made before January 1, 1987. You pay no federal income taxes on that amount and are not required to withdraw the earnings associated with the pre-1987 after-tax contributions. Any withdrawals you make will not be taxable until you exceed your pre-1987 Tax Basis amount.

Once you exceed your pre-1987 Tax Basis, each withdrawal of post-1986 after-tax contributions will include a taxable portion because you must withdraw the earnings on these contributions. The taxable amount is calculated according to the three-step formula shown in the table below. This formula uses the post-1986 Tax Basis.

Tax Calculation Example – Post-1986 After-Tax Contributions	
This three-step formula shows how the taxable portion of the withdrawal is calculated.	
Example: *Participant withdraws $2,000 with a $200 Tax Basis.*	
Step 1	
Tax Basis (post-1986 after-tax contributions)	$200
Total amount in employee after-tax account	÷ $2,600
Percentage applied to determine Tax Basis portion of withdrawal	= .07692
Step 2	
Total withdrawal	$2,000
Percentage from Step 1	X .07692
Tax Basis portion	= $153.84
Step 3	
Total withdrawal	$2,000
Tax Basis portion	- $153.84
Taxable portion	= $1,846.16

Withholding of Federal Income Tax

Federal law requires the Company to withhold and pay to the IRS a portion of any taxable payment from the Plan. Generally, federal income tax will be withheld automatically at a rate of 20 percent. There are exceptions to the mandatory 20 percent withholding, as discussed below.

Direct Transfers: No tax will be withheld from your payment, provided you give the customer service representative direct transfer instructions at the time you make your request. The check must be made payable to an eligible employer plan or traditional IRA in order for the 20 percent withholding to be waived.

Hardship Withdrawals of Pre-Tax Contributions and Mandatory Age 70½ Minimum Distributions: If elected, federal income tax on the pre-tax portion of a hardship withdrawal, or a mandatory age 70½ minimum distribution will be withheld at a rate of 10 percent.

Payments to Non-Spouse Beneficiaries: Your designated non-spouse beneficiaries may elect a direct rollover of a distribution to an Individual Retirement Account (IRA). By rolling over the money into an IRA, your non-spouse beneficiary can take advantage of the ability to accumulate tax-deferred earnings and spread the tax liability over a longer period of time. He/she may be taxed later when payments are taken from the IRA.

If your non-spouse beneficiary elects a lump-sum payment of your account balance, he/she must do so no later than December 31 of the year in which the fifth anniversary of your death occurs or the date you would have attained age 70, if earlier. Federal income tax on lump-sum distributions will be withheld at a rate of 10 percent. Withholding of state and local taxes may be required depending on state of residence.

Payments to Alternate Payees Other than Spouse or Former Spouse: If a non-spouse alternate payee receives a taxable payment from your account because of a Qualified Domestic Relations Order, he/she may choose to have federal income tax withheld at a rate of 10 percent.

Impact of Employment Status Changes

If your employment status changes — for example, if you take a leave of absence or terminate employment — your participation in the Plan will be affected as follows:

Layoff, Leave of Absence, or Family and Medical Leave

- Your payroll contributions and any applicable Company contributions will continue if you have Eligible Earnings or hours worked.
- You may transfer investments within the Plan.
- You may request non-hardship withdrawals or hardship withdrawals.
- You must continue to make your existing loan repayments manually to avoid default.
- You may not request a new loan.
- When you return to work, your contributions (along with any applicable Company contributions) and loan repayments will resume automatically.

Sickness and Accident, Short-Term or Long-Term Disability

- Your payroll contributions and any applicable Company contributions will continue if you have Eligible Earnings. Sickness and Accident and disability benefit are not Eligible Earnings.
- You may transfer investments within the Plan.
- You may request non-hardship withdrawals or hardship withdrawals.
- You must continue to make your existing loan repayments manually to avoid default.
- You may not request a new loan.
- When you return to work, your contributions (along with any applicable Company contributions) and loan repayments will resume automatically.

Transfers

To a Work Location That Participates in the Plan

If the location to which you transfer participates in the Savings Plan, your payroll contributions will continue. Any Company contributions will continue if your new work location offers them; however, the matching amount and other employer contributions, such as employer retirement income contributions (ERIC), may change.

To a Work Location That Does Not Participate in the Plan

- Your payroll contributions to the Plan will end.
- You may transfer investments within the Plan.
- You may request non-hardship withdrawals or hardship withdrawals.
- You must continue to make your existing loan repayments manually to avoid default.
- You may not request a new loan.

From Full-Time to Part-Time Status (or Vice-Versa):

- Your payroll contributions to the Plan will continue.
- No other changes will occur.

From Hourly to Salaried Pay Status:

- Your payroll contributions to the Plan will continue.
- Your outstanding loan balance may be reamortized due to changes in pay frequency.
- Any Company contributions may change.

Military Leave

The Plan is operated in compliance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). Under the provisions of USERRA, you have certain rights when you return to work from a qualified uniformed services leave. These rights are explained below. In addition, information about Plan loans and withdrawals during a military leave is included in this section.

Make-up Contributions

- You can voluntarily make-up pre-tax contributions within a period that is the lesser of three times the length of your military leave or five years, beginning from the date you resumed your employment.
- The amount of pre-tax contributions is limited to the amount you could have made to the Plan during your qualified military service.

Company Contributions

- The Company will make matching contributions on your make-up pre-tax contributions based on what would have been made had the pre-tax contributions been made during your qualified military service.
- If applicable, discretionary, restricted discretionary or employer retirement income contributions will be made based on the Eligible Earnings that would have been received if you had been actively employed for the period of your qualified military service. Also, if applicable, retiree medical savings account contributions will be made based on the hours you would have worked during your period of qualified military service.

Loans

- Your loan payments will be suspended for the duration of your leave. This suspension will also extend the term of the loan. Upon return to active work your loan repayment dollar amount will be increased to account for the Interest that accrued during your period of military leave. The Interest accrues at a rate that will not be greater than 6 percent.
- You may not take a new loan from the Plan during your military leave.

Withdrawals

- You may withdraw your after-tax contributions and any earnings, Company matching contributions that were contributed before January 1, 2011, and rollover contributions.

When You Return to Employment

- Upon returning from qualified military service, your period of military service counts for all purposes under this Plan.
- Your payroll contributions (along with any Company contributions, if applicable) will resume automatically.

If you are a returning veteran, you should call 1-888-ALCOA123 (1-888-252-6212) for an explanation of your rights under USERRA.

If You Leave the Company

- If you Retire, have Total and Permanent Disability status, or are Permanently Separated, your payroll contributions and any applicable discretionary and employer retirement income contributions will continue only if you have Eligible Earnings following your Retirement, Total and Permanent Disability, or Permanent Separation.
- If you leave for any other reason, your payroll contributions will end immediately.
- If you leave your savings in the Plan, you may transfer investments within the Plan.
- You may not request a new loan.
- If you have an outstanding loan balance, you must continue to make manual loan payments through your scheduled loan date. Your loan will be in default if you do not make your manual payments and are more than 90 days behind in payment.
- Once you reach age 70, you must receive a total lump sum payment of your account or rollover your entire account to another eligible employer’s plan or IRA.

If You Die

- Your designated beneficiary may elect to receive a lump-sum payment of your account or to continue as if a participant in the Plan if your death occurs prior to payment of your account balance. A spousal beneficiary must receive a distribution of your entire account balance no later than the date that you, not your spouse, would have attained age 70. A non-spousal beneficiary may elect either a direct rollover to an Individual Retirement Account (IRA) or a lump-sum payment of your account. If electing a lump-sum payment, it must be made no later than December 31 of the year in which the fifth anniversary of your death occurs or the date you would have attained age 70, if earlier.
- If you have an outstanding loan balance, your beneficiary will have 90 days to repay it or it will be treated as a defaulted loan.
- Your designated beneficiary may not request a new loan.

How to File or Appeal a Claim

Filing a Claim

You may file a claim for benefits by calling 1-888-ALCOA123 (1-888-252-6212) or writing to the plan administrator.

Appealing a Denied Claim

If a claim for a Plan benefit is denied, in whole or in part, you, your beneficiary, or your representative will receive written notice from the plan administrator. This notice will include the reasons for denial, the specific Plan provision involved, an explanation of how claims are reviewed, the procedure for requesting a review of the denied claim, and a description of the information that must be submitted with the appeal. To appeal a denied claim, you or your representative may send a written request to the Benefits Appeals Committee, which the Benefits Management Committee has designated to handle appeals. You should state the reason why you believe your claim should be reviewed and include any appropriate data, documents, questions, or comments. To assist with the appeal, you or your representative may request, free of charge, copies of all documents, records, and other information relevant to the initial claim for benefits.

The written appeal should be mailed or delivered to the address below.

Benefits Appeals Committee
Alcoa Inc.
Alcoa Corporate Center
201 Isabella Street, 4C13
Pittsburgh, PA 15212-5858

If the appeal is denied (in whole or in part), the plan administrator will send you or your representative a written notice that will include the reasons for denial, the specific Plan provisions on which the appeal decision was based, a summary of your right to additional appeals or to bring civil action in federal court and a statement that you or your representative can request, free of charge, copies of all documents, records and other information relevant to the appeal decision.

If the Plan does not follow the claims appeals procedures above, you have the right to bring civil action in federal court under ERISA.

Timeframes for Claims Filing and Appeals

The time frames and process for filing a claim for benefits and appealing a denied claim depends on whether the claim is related to disability or not, as shown in the following chart.

Claim and Appeal Process	Time Frames for:	
	All Claims Other than Total and Permanent Disability	**Claim for Total and Permanent Disability**
■ Plan administrator reviews initial claim and makes determination.	Within 90 days of date claim is received	Within 45 days of date claim is received
■ Extension period, if required due to special circumstances beyond control of plan administrator.*	Additional 90 days	Additional 30 days
■ Additional extension period, if required due to special circumstances beyond control of plan administrator.*	None	Additional 30 days
■ Period in which you must provide specified missing or additional information to plan administrator. The determination period and any applicable extension periods will be suspended until the earlier of: — the date on which plan administrator receives required information; or — this 45-day period ends.	None	Within 45 days of request for missing or additional information
■ Period in which you may submit an appeal of denied claim.	Within 60 days of receiving denied claim	Within 180 days of receiving denied claim
■ Plan administrator reviews your appeal and makes determination. (You or your representative will receive a written copy of the decision, including the specific parts of the Plan on which the decision was based.)	Within 60 days of date appeal is received	Within 45 days of date appeal is received
■ Extension period, if required due to special circumstances beyond control of plan administrator.*	Additional 60 days	Additional 45 days

* *Whenever an extension is required, the Plan must notify you before the current determination period expires. The notice must state circumstances requiring the extension and the date a determination is expected to be made.*

Administrative Information

This section provides information about the administration of the Plans and your rights as an eligible employee.

Participating Subsidiary

When the term "the Company" is used in this SPD, it means Alcoa Inc. and certain employers and subsidiaries that have adopted these Plans for at least a portion of their employees. Eligible employers are:

Alcoa Inc.
Alcoa Allowance Management Inc.
Alcoa Automotive - IAFC, Inc.
Alcoa Commercial Windows LLC
Alcoa Defense, Inc.
Alcoa DiMarc Inc.
Alcoa Global Fasteners, Inc.
Alcoa Oil & Gas LLC
Alcoa Power Generating, Inc.
Alcoa Properties, Inc.
Alumax Mill Products, Inc.
Alumax of South Carolina, Inc.
B & C Castings, Inc.
B & C Research, Inc.
Eastalco Aluminum Company
Evermore Recycling LLC
Halethorpe Extrusions, Inc.
Halethorpe Services, Inc.
Howmet Aluminum Casting, Inc.
Howmet Castings & Services Inc.
Howmet Corporation
Howmet TMP Corporation
Howmet Transport Services, Inc.
Huck International, Inc.
Huck Patents, Inc.
Intalco Aluminum Corporation
J.W. Manufacturing, Inc.
Kawneer Company, Inc.
Northwest Alloys, Inc.
Pimalco, Inc.
R B Sales Company, Limited
Republic Fastener Mfg Corp.
Reynolds Metals Company
Turbine Components Corporation
Valley Todeco, Inc.

Plan Administrator and Sponsor

These Plans are sponsored and administered by Alcoa Inc. You may contact the plan administrator at:

Plan Administrator – Alcoa Retirement Savings Plan
Alcoa Inc.
Alcoa Corporate Center
201 Isabella Street
Pittsburgh, PA 15212-5858
(412) 553-4545

The plan administrator has the discretionary authority to determine eligibility under all provisions of the Plans; correct defects, supply omissions, and reconcile inconsistencies in the Plans; ensure that all benefits are paid according to the Plans; interpret Plan provisions for all participants and beneficiaries; and decide issues of credibility necessary to carry out and operate the Plans. Benefits under the Plans will be paid only if the plan administrator decides in its discretion that the applicant is entitled to them.

The plan administrator has designated the Benefits Management Committee to oversee the operation of the Plans and the Benefits Management Committee has designated the Benefits Appeals Committee to handle appeals. Except for duties performed by the plan administrator, Trustee, and investment managers, both Committees have complete discretionary authority to control and manage the operation and administration of these Plans, and to construe and interpret the Plans. All actions, decisions, or interpretations of the Committees are conclusive, final, and binding.

Upon written request to the plan administrator, you may obtain a list of employer and employee organizations that participate in these Plans. You also may inquire whether a particular employee organization sponsors these Plans and request the organization's address.

Plan Year

The plan year is January 1 through December 31.

Type of Plan

The IRS calls the Alcoa Retirement Savings Plan for Salaried Employees, the Alcoa Retirement Savings Plan for Bargaining Employees, the Alcoa Retirement Savings Plan for Hourly Non-Bargaining Employees, and the Alcoa Retirement Savings Plan for Fastener Systems Employees defined contribution plans under ERISA; they provide for long-term, Retirement-oriented savings.

The plans are intended to qualify for certain favorable tax treatment under the Internal Revenue Code. Therefore, employer contributions made in accordance with the Plan are intended to be deductible by the Company when they are contributed.

The Alcoa Stock Fund investment option has been established as an employee stock ownership plan under the U.S. Internal Revenue Code of 1986, as amended.

Identification Numbers

Each Plan has been assigned an Employer Identification Number (EIN) and Plan Number (PN) for IRS and DOL reporting purposes. The following are the EINs and PNs assigned to the Plans:

Plan	Employer Identification Number (EIN)	Plan Number (PN)
Alcoa Retirement Savings Plan for Salaried Employees	25-0317820	007
Alcoa Retirement Savings Plan for Bargaining Employees	25-0317820	008
Alcoa Retirement Savings Plan for Hourly Non-Bargaining Employees	25-0317820	017
Alcoa Retirement Savings Plan for Fastener Systems Employees	25-1538236	011

Agent for Service of Legal Process

If any disputes arise under the Plans, papers may be served upon:

Secretary, Benefits Management Committee
Alcoa Inc.
Alcoa Corporate Center
201 Isabella Street
Pittsburgh, PA 15212-5858
(412) 553-4545

Service of legal process also can be made upon the plan administrator.

Plan Funding

All Plans are funded by the Company, as well as by employee contributions.

Plan Trustee and Investment Managers

The Trustee for the Plans is:

The Bank of New York Mellon, Trustee
One BNY Mellon Center
Pittsburgh, PA 15258-0001

The Trustee and several other investment managers presently manage various portions of the Alcoa Retirement Savings Plan. The following investment managers also may hold assets of the Plans:

American Funds
333 South Hope Street
Los Angeles, CA 90071-1406
www.americanfunds.com

BlackRock
400 Howard Street
San Francisco, CA 94105
www.blackrock.com

Mellon Capital Management
One Mellon Center, Suite 4200
Pittsburgh, PA 15258-0001
www.mcm.com

Morgan Stanley Investment Management
522 Fifth Avenue, 9th Floor
New York, NY 10036
www.morganstanley.com

The Vanguard Group
P.O. Box 2600
Valley Forge, PA 19482
www.vanguard.com

Newton Capital Management Limited
BNY Mellon Centre
160 Queen Victoria Street
London EC4V 4LA, United Kingdom
www.newtoncapitalmanagement.com

Recordkeeping Services/Customer Service

The plan administrator has contracted with Aon Hewitt to perform certain administrative and recordkeeping functions for the Plan. To contact customer service, call 1-888-ALCOA123 (1-888-252-6212).

Plan Questions and Interpretation

Most questions about the Plans can be answered by customer service representatives who are available on weekdays from 9 a.m. to 5 p.m. Eastern time. If your question involves an interpretation of the Plan, it will be forwarded to the Plan Administrator.

While customer service representatives make every attempt to provide accurate information, mistakes can occur, and sometimes employees receive misinformation. In these instances, it is important to understand that federal law requires that the Plan documents always control, even if their terms conflict with information given by a customer service representative. The Benefits Management Committee will always make the final determination and has the power to overrule earlier decisions.

Your Rights under ERISA

As a participant in one of these Plans, 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 the following:

Receive Information about Your Plan and Benefits

- Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents governing these Plans, including collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plans with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the Plans, including collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The 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 your interest and that of other 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 Plan benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a Plan benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents, which include the official Plan document, any amendments, Summary Plan Descriptions, and summary of material modifications, or the latest annual report 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 that is denied or ignored, in whole or in part, you may file suit in a state or federal court. Such suit must be filed within 180 days from the date of an adverse appeal determination notice. 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 (for example, if the court finds your claim is frivolous), the court may order you to pay these costs and fees.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the plan administrator. If you have questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.

You also may obtain certain publications about your rights and responsibilities under ERISA by calling the Employee Benefits Security Administration at 1-866-444-3272. Additional information is also available through the Department of Labor's website at www.dol.gov.

Your Rights to Benefits

Your benefits belong to you and, except for Qualified Domestic Relations Orders (QDROs), may not be sold, assigned, transferred, pledged, or garnished. If you or your beneficiary is unable to care for your affairs, any payments due may be made to your legal representative, as determined by the Benefits Management Committee.

Definitions

Actively at Work

You are considered Actively at Work if you:

- are presently at work for the Company; or
- were present at work on the last scheduled working day before:
  - a scheduled vacation;
  - an absence due to a paid holiday, paid jury or witness day, or a paid bereavement day;
  - a scheduled day off within your working schedule; or
  - a short-term absence for authorized local union business.

Balanced Fund

A fund that invests in a mix of Common Stocks and income-producing securities such as Bonds. A Balanced Fund can offer a higher return than a pure stock fund when stock prices decline. In a rising market, however, a Balanced Fund may not keep pace with a fund that is invested in a higher percentage of Common Stocks.

Bond

A Bond is basically an “IOU” promissory note of a corporation or government. A Bond is evidence of a debt on which the issuer usually promises to pay the bondholder a specific amount of Interest for a specific length of time and to repay the loan on the maturity date.

Capital

Any form of wealth (money, personal property, real estate, stocks, Bonds, etc.) that is available to be used to create even more wealth.

Collective Trust Fund

A form of commingled fund that works much like a Mutual Fund but does not have many of the regulatory requirements that apply to Mutual Funds. As a result, it often has lower operating expenses but still offers Portfolio diversification, professional management, and investment flexibility.

Common Stock

Shares of ownership in a corporation.

Company

Alcoa Inc. and its Subsidiaries and affiliated companies that offer this Plan.

Conduit IRA

While Retirement funds are being rolled over from one Qualified Plan to another, a Conduit IRA is used to temporarily hold the transferring funds.

Dividend

In relationship to stocks, the earnings of a corporation that are passed along to shareholders. The amount per share is determined by the Board of Directors and is normally paid quarterly. In relationship to the Alcoa Stock Fund, which has been established as an employee stock ownership plan under the U.S. Internal Revenue Code, participants may choose to receive an annual payment of Dividends (see “Dividends” on page 48). Dividends are paid directly to the trust.

For mutual or Collective Trust Funds in the Plan, Dividends are paid out of the income received from the funds’ investments and are usually reinvested in these funds.

Eligible Earnings

Your contributions to the Savings Plan are based on a percentage of your Eligible Earnings, which include your regular base wages (either salary or regular hourly wages, which, for hourly, include the straight-time portion of overtime) and if applicable, cash COLA, regular vacation pay, witness pay, holiday pay (for a holiday not worked), bereavement pay, schedule premium, shift premium, jury pay, job upgrades, income and wage adjustments, reporting pay, and call-out pay. If you receive commission payments, those will be considered as well. For the purposes of the Plans, Eligible Earnings will not include any amounts in excess of IRS limits.

In addition to the above definition, Eligible Earnings for purposes of crediting employer retirement income contributions will include any Variable Compensation Awards or incentive compensation payable to an eligible participant.

Emerging Markets Fund

A fund that invests the majority of its assets in the financial markets of a single developing country or a group of developing countries. For the most part, these countries are in Eastern Europe, Africa, the Middle East, Latin America, the Far East and Asia.

Equity

Another term for a stock or a Mutual Fund made up of stocks. Equity can also mean ownership.

ERISA

The Employee Retirement Income Security Act of 1974, as amended, a federal law that governs employee benefit plans.

401(k) Plan

A tax-Qualified Plan regulated by the IRS and sponsored by your employer that lets you invest regularly on a pre-tax basis. The money you set aside in a 401(k) Plan reduces your wages for federal (and usually state) income tax purposes. Your pre-tax savings become taxable when they are removed from the Plan and are paid to you.

Full-Time Employee

An active employee who works on a regular work schedule and not on a part-time or temporary basis.

Global Equity Fund

A fund that seeks Capital appreciation by investing in both U.S. and non-U.S. stocks. Currency fluctuations add risk to the global Portfolio.

Inflation

An increase in what it costs to purchase goods and services. Typically, the Inflation rate is expressed as a percentage and is measured over a finite period — usually a month or a year.

Interest

The cost of using money, usually paid by the one who borrows the money to the one who lends it. Interest is typically expressed as a percentage of the Principal amount of the loan for a period of one year.

Intermediate Bond Fund

A fund that invests in Bonds with intermediate length terms, typically averaging between five and ten years.

International Fund

A fund that seeks Capital appreciation by investing primarily in non-U.S. stocks. Currency fluctuations and political developments could add risk to the Portfolio.

Large Cap Fund

A fund that generally seeks growth of Capital by investing primarily in Common Stocks of large companies with a market capitalization typically over $5 billion.

Layoff

A temporary absence from employment because of a reduction in the workforce.

Leased Employee

Leased employee as such term is defined in the U.S. Internal Revenue Code, section 414(n), as amended.

Mid-Size Cap Fund

A fund that seeks growth in Capital over time by investing in companies having market capitalization of $1 billion to $5 billion.

Mutual Fund

A fund that offers shares in its managed Portfolio of securities to investors. Your money is pooled together with that of other participants in the fund. The Portfolio's investments match the objectives stated in the fund's Prospectus and are usually invested in stocks and/or Bonds.

Net Asset Value (NAV)

The value of each unit in an investment fund as determined under the Plan's unit accounting practices (see page 47).

Normal Retirement Age

The date you reach age 65.

Part-Time Employee

An active employee who works at least 50 percent but less than 100 percent of the regular work schedule for a location, but who is not a Temporary Employee.

Permanent Separation

The termination of employment through no fault of the employee for lack of work for reasons associated with the business, for whom the Company determines there is no reasonable expectation of recall.

Portfolio

An investor's or fund's total holdings in stocks, Bonds, cash, real estate, and other investments. Investors may establish Portfolios to reduce risk through diversification.

Prime Interest Rate

The Interest rate banks charge to their largest corporate clients, determined as of the first business day of each calendar quarter. It is usually the most favorable Interest rate a bank offers.

Principal

The amount originally invested, not counting Interest or Dividends.

Prospectus

A disclosure statement required by the Securities and Exchange Commission (SEC) for Mutual Funds and company stocks and Bonds. You are strongly encouraged to read a fund's Prospectus before you invest in it.

Qualified Domestic Relations Order (QDRO)

A court order requiring payment of all or part of your Savings Plan benefits to a spouse, former spouse, or children to meet alimony, marital property settlement, or child support obligations.

When a domestic relations order is received that applies to you, the plan administrator will notify you and anyone else ordered to receive your Savings Plan benefits. To obtain a free copy of QDRO guidelines and procedures, call 1-888-ALCOA123 (1-888-252-6212) or visit http://www.qocenter.com.

Qualified Plan

The Alcoa Retirement Savings Plan is qualified under ERISA, meaning that your savings and employer contributions are set aside in a separate account in your name. These accounts are administered by a trustee, subject to independent audit, and treated tax-favorably by the IRS.

Rate of Return

The amount an investment changes in value (gains or losses) over a period of time, expressed as a percentage of the investment.

Retire or Retirement

Retirement means termination of continuous service with rights to a pension other than a deferred vested pension benefit under a retirement plan of Alcoa Inc. and/or a Subsidiary and/or an affiliate, termination of continuous service upon or after attainment of age 55 and completion of 10 years of continuous service, or Normal Retirement Age.

Separation from Service

Your service ends on the earliest of the date you quit, Retire, are discharged (including a permanent Layoff), or die, or the first anniversary of the first date you are absent from work for any other reason. You will be deemed to have terminated on the second anniversary of your absence if the absence is due to your pregnancy, the birth of your child, the placement of a child in your home for adoption purposes, or for purposes of caring for your child immediately following such birth or placement.

Small Cap Fund

A fund that generally seeks long-term growth by investing in companies with market capitalization under $1 billion. Small cap stocks typically have higher volatility and therefore higher risk than large cap stocks.

Stable Value Investments

Investments that are designed to protect Principal savings (the initial amount saved) while providing a steady Rate of Return. Stable Value Investments are considered less risky than stocks or Bonds.

Subsidiary

A corporation, a majority of whose outstanding voting stock is owned or controlled by Alcoa Inc. and/or one or more other Subsidiaries, and any non-corporate business entity that Alcoa Inc. and/or one or more other Subsidiaries control in fact.

Target Maturity Fund

A fund that uses professional management to establish an age-appropriate asset allocation for investors with an estimated year of Retirement. The asset mix becomes more conservative as the target Retirement date approaches.

Tax Basis

The amount of money in your Plan account on which you have paid federal income taxes; in effect, your after-tax savings.

Temporary Employee

An employee paid on an hourly basis through the Company's payroll system who:

- does not work on a regular schedule;
- works less than 50 percent of the regular hours for the location where employed; or
- works 50 percent or more of the regular hours for a location but is hired for a specified period of time not to exceed 12 months.

Total and Permanent Disability

Total and Permanent Disability means a disability caused by injury or disease that, on the basis of medical evidence satisfactory to a medical doctor chosen by the Benefits Management Committee, prevents the employee from engaging in any employment with the Company suitable to his or her training and experience, and that is expected to be permanent and continuous during the remainder of the employee's life.

Trustee

The person(s) or institution(s) designated to hold the funds of the Plan.

Variable Compensation Awards

Any annual payment you receive from performance pay and/or profit sharing or gain sharing awards, if available at your location.

Accounting and Recordkeeping Practices

Unit Accounting

The Plan uses unit accounting for all core fund options. Unit accounting is a method of determining your daily account balance. Two concepts are key to understanding unit accounting:

- **Units** — a portion of ownership in an investment fund. For each fund in which you have invested, you own units. The number of units will increase as you add money to the fund and decrease as you extract money from the fund.
- **Net Asset Value (NAV)** — the value of each unit in an investment fund. The NAV is determined at the close of each business day. The value of each unit depends on the total value of the fund and number of units in the fund on any given day.

The market value of your account is determined by multiplying the number of units by the account NAV. For the Alcoa Stock Fund, your balance is also expressed in equivalent shares.

The Plan uses unit accounting so that account transactions can take place on a daily basis and so that the administrative fee of 0.05% (see "Costs Associated with Plan Participation" on page 16.) can be applied to each of the core investment options. Some funds maintain a cash pool to provide the liquidity needed to process transactions on the same day they are requested. For those investment options that were previously valued under a mutual fund approach, a synthetic NAV was used to start the unitization of the fund. Therefore, the NAV associated with the Plan's unit accounting will not necessarily correspond to a share price published directly by the mutual fund provider.

The example below will help you understand how units are established, how to value your account, and how to determine the equivalent shares you own in the Alcoa Stock Fund. Assume that on December 30 you own 181.529 equivalent shares in the fund and their market value is $15.325 per share.

The total market value of your equivalent shares in the Alcoa Stock Fund as of December 31, divided by the NAV determines the number of units you have in the Alcoa Stock Fund.

Example of the determination of number of units in your account	
Number of equivalent shares	181.529
x Average share price	x $15.325
= Total value of fund	= $2,781.93
÷ NAV *	÷ $19.87
= Number of units	**= 140.007**
* net of 0.05% administrative fee	

Example of how to determine the number of equivalent shares in your account	
<u>**Step 1:**</u> Number of units	140.007
x NAV	x $19.87
= Total value of fund	**= $2,781.93**
<u>**Step 2:**</u> Total value of fund	$2,781.93
÷ Average share price	÷ $15.325
= Number of equivalent shares	**= 181.529**

Although the performance of the Alcoa Stock Fund is closely linked to the performance of Alcoa common stock, the change in market value of each share will not equal exactly the change in the NAV. This is because the fund holds a small percentage (typically up to 3 percent) of transactional cash to facilitate trading in a daily valuation environment as well as application of the 0.05% administrative fee.

Dividends

Mutual and Collective Trust Funds: If a dividend is declared for a mutual or collective trust fund in the Plan, the amount of the dividend is invested automatically in your account. To be eligible for the dividend, you must have shares of that fund in your account on the record date.

Alcoa Stock Fund: Dividends are credited to the Alcoa Stock Fund on the Ex-Dividend Date ("Ex Date"). The Ex Date is the date on which a stock or mutual/collective trust fund begins trading, excluding the dividend.

In the Alcoa Retirement Savings Plan, the dividend paid on the Ex Date is calculated based on the number of units in your Alcoa Stock Fund on the day before the Ex Date. Depending on the final day of a pay period, employee contributions to the Alcoa Retirement Savings Plan are generally posted within two to six business days. Employer contributions, if applicable, are calculated and posted on the same day as employee contributions. Any employee or employer contributions made to the Alcoa Stock Fund that are posted prior to the Ex Date will be included in the dividend calculation.

The dividend amount credited to your account is based on the proportion of your units of participation in relation to the total units of participation in the fund when the stock market opens on the Ex Date. On the day after the Ex Date, you can determine whether a dividend has been allocated to your account because your number of Alcoa Stock Fund units will have increased.

Transaction Order Processing

If you request multiple transactions on any given business day, they will be processed in this order:

- loans;
- withdrawals; and then
- transfers.

Basic Prospectus Information

This basic prospectus does not form a part of the Summary Plan Description and it is being provided solely by Alcoa. This basic prospectus is not being provided by the plan administrator or any other fiduciary of the Alcoa Retirement Savings Plan.

Alcoa Inc. ("Alcoa") is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and maintains its principal executive offices at 390 Park Avenue, New York, NY 10022-4608. This prospectus relates to shares of common stock of Alcoa, par value $1.00 per share, that may be purchased and held in the Alcoa Stock Fund (which is an employee stock ownership plan under the US Internal Revenue Code) under the Alcoa Retirement Savings Plan (the "Plan"). This prospectus also relates to participation interests in the Plan to the extent that these interests constitute securities. Because the Plan has an indefinite duration, the total number of shares to be offered under the Alcoa Stock Fund in the Plan is not currently determinable.

The Plan is subject to provisions of ERISA applicable to defined contribution, individual account pension plans. The Plan qualifies under Section 401(a) of the U.S. Internal Revenue Code.

Incorporation of Certain Information by Reference

Alcoa files annual, quarterly, and current reports; proxy statements; and other information with the Securities and Exchange Commission ("SEC"). Its SEC filings are available at the SEC's website: www.sec.gov. You also may read and copy any document that Alcoa files with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Call the SEC at 1-800-SEC-0330 for more information on the public reference room and its copy charges.

The SEC requires Alcoa to "incorporate by reference" into this prospectus the filings it makes with the SEC. Incorporated documents are part of this prospectus even though they are not attached. Information Alcoa later files with the SEC will automatically update and supersede the information contained in this document.

Alcoa and the Plan incorporate by reference the documents listed next and any future filings they make with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended.

- Alcoa's Annual Report on Form 10-K for its most recent fiscal year;
- The Plan's Annual Report on Form 11-K for its most recent fiscal year;
- All other reports filed by Alcoa or the Plan under Section 13(a) or 15(d) of the Securities Exchange Act of 1934 since the end of that fiscal year; and
- The description of Alcoa's common stock contained in Alcoa's Registration Statement on Form S-3ASR (File No. 333-172327), filed February 18, 2011.

Alcoa is not incorporating, in each case above, any documents or information *deemed* to have been furnished and not filed in accordance with SEC rules.

Alcoa will provide to you any of the documents incorporated by reference in this prospectus free of charge. Exhibits to such documents will not be provided unless they are specifically incorporated by reference. Alcoa also will provide to you free of charge additional copies of the materials that make up the prospectus for the Plan, as well as reports, proxy statements, and other communications delivered to Alcoa's shareholders generally. Send written requests to: Alcoa Benefits, P.O. Box 1447, Lincolnshire, IL 60069-1447, or call 1-888-ALCOA123 (1-888-252-6212) to make a request via the telephone.

Restrictions on Resale of Shares

A participant in the Plan who is an "affiliate" of Alcoa, as defined under the U.S. federal securities laws, may not resell any shares of Alcoa common stock distributed from the Plan except under an effective registration statement, under Rule 144 under the Securities Act of 1933, as amended, or otherwise under an applicable exemption.

Because an "affiliate" is a person who "controls" Alcoa, this applies only to a senior officer or director of Alcoa.

There are no such restrictions applicable to the resale of shares of Alcoa common stock by participants who are not affiliates of Alcoa.

In addition, Section 16 of the Securities Exchange Act of 1934 allows Alcoa to recover profits from certain purchases and sales of Alcoa securities within six months by senior officers.

Alcoa Common Stock

Alcoa currently has 1,800,000,000 shares of authorized common stock, par value $1.00 per share.

Dividend Rights — Holders of Alcoa common stock will receive dividends when and as declared by the Board of Directors of Alcoa. However, no dividend will be declared or paid on Alcoa common stock if any Alcoa preferred stock is outstanding, unless all dividends accrued on all classes of Alcoa preferred stock and the current quarter yearly dividend on the Alcoa $3.75 Cumulative Serial Preferred Stock have been paid or declared and a sum sufficient for payment has been set apart.

Voting Rights — Holders of Alcoa common stock have one vote per share.

Liquidation Rights — Upon any liquidation, dissolution, or winding up of Alcoa, whether voluntary or involuntary, after payments to holders of Alcoa preferred stock in an amount fixed by the Board of Directors of Alcoa, plus accrued dividends, the remaining assets of Alcoa belong to and will be divided among the holders of Alcoa common stock. The consolidation or merger of Alcoa with or into any other corporation(s) or a share exchange or division involving Alcoa pursuant to applicable law is not a liquidation, dissolution, or winding up of Alcoa under the Alcoa Articles.

Preemptive or Other Subscription Rights — Holders of Alcoa common stock have no right to participate in any right of subscription to any increased or additional capital stock of Alcoa.

Conversion and Other Rights — Alcoa common stock does not have any applicable conversion, redemption, or sinking fund provisions and is not liable to further call or assessment by Alcoa. All issued and outstanding shares of Alcoa common stock are paid fully and are non-assessable.

Other Matters —The Alcoa Articles provide for a classified Board of Directors, divided into three classes as nearly equal as possible, with each class serving a staggered three-year term. The Articles provide that shareholders voting 80 percent of the votes that would be entitled to be cast at an annual election of directors may remove directors, with or without cause. They also provide that vacancies are to be filled only by a majority vote of the remaining directors, unless a vacancy resulted because of a vote of the shareholders, in which case the shareholders may fill the vacancy.

A shareholder wishing to nominate directors at an annual meeting of Alcoa shareholders must provide written notice at least 90 days before the anniversary date of the prior year's meeting.

The Alcoa Articles contain a majority voting standard for uncontested director elections. Under this standard, a nominee for director will be elected to Alcoa's Board of Directors only if the votes cast for such nominee exceed the votes cast against such nominee's election (excluding abstentions).

The Alcoa Articles provide that, unless a stock repurchase is made in either a tender offer or exchange offer for a class of capital stock that is made available to all holders of the class on the same basis, or in an open market purchase program approved by Alcoa's Board of Directors, Alcoa may not repurchase stock from a shareholder who owns five percent or more of Alcoa's voting stock (an "Interested Shareholder") at prices greater than the current fair market value without the affirmative vote of a majority of shares held by persons other than such five-percent shareholder.

The Alcoa Articles require the approval of 80 percent of the votes entitled to be cast in order to amend the provisions in the Alcoa Articles relating to the classification of the Board of Directors, nomination of directors, removal of directors, filling of vacancies and stock repurchases from an Interested Shareholder.

Notes

ALCOA

Published by Alcoa Benefits.

A10-Savings Plan-2014

AS-501-8/14 Savings Plan SPD

Printed on recycled paper