

# Prospectus



## Alcoa Inc.

### Common Stock

#### 2009 Alcoa Stock Incentive Plan

This prospectus relates to shares of common stock, par value \$1.00 per share, of Alcoa Inc. issuable pursuant to the provisions of the 2009 Alcoa Stock Incentive Plan.

Alcoa's common stock is listed on the New York Stock Exchange under the symbol "AA".

The principal executive offices of Alcoa are located at 390 Park Avenue, New York, New York 10022-4608. The telephone number is (212) 836-2600.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

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The date of this prospectus is May 8, 2009.

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

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## GENERAL

### About the Prospectus

This prospectus relates to shares of common stock, par value \$1.00 per share, of Alcoa Inc. (“Alcoa” or the “Company”) that may be issued under the 2009 Alcoa Stock Incentive Plan, as amended or supplemented from time to time (the “2009 Plan”). In connection with the offering of the shares, Alcoa is required to provide you with a prospectus giving a general description of material information regarding the 2009 Plan and its operations (the “2009 Plan Prospectus”). The 2009 Plan Prospectus consists of the following, taken together:

- this document;
- the 2009 Plan;
- the Form of Award Agreement for Stock Options, effective May 8, 2009 (consisting of the form of Stock Option Award Certificate and Terms and Conditions for Stock Option Awards), as amended, restated or supplemented from time to time;
- the Form of Award Agreement for Restricted Share Units, effective May 8, 2009 (consisting of the form of Restricted Share Unit Certificate and Terms and Conditions for Restricted Share Units), as amended, restated or supplemented from time to time;
- the documents incorporated by reference into the 2009 Plan Prospectus (see “Incorporation of Certain Documents by Reference” below); and
- any other documents that Alcoa specifically identifies in the future as being part of the 2009 Plan Prospectus.

You should read all of the documents constituting part of the 2009 Plan Prospectus.

### Where You Can Find More Information

Alcoa files annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the “SEC”). Its SEC filings are available to the public from the SEC’s web site at <http://www.sec.gov>. You may also read and copy any document Alcoa files with the SEC at the SEC’s public reference room in Washington, D.C., located at 100 F Street, NE, Washington, DC 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Alcoa’s common stock is listed and traded on the New York Stock Exchange (the “NYSE”). You may also inspect the information Alcoa files with the SEC at the NYSE’s offices at 20 Broad Street, New York, New York 10005. Information about Alcoa is also available at its Internet web site at <http://www.alcoa.com>. The information on Alcoa’s Internet site is not a part of the 2009 Plan Prospectus.

Alcoa has filed a registration statement on Form S-8 with the SEC under the Securities Act of 1933, as amended (the “Securities Act”), that registers the shares offered by this prospectus. As permitted by the rules and regulations of the SEC, this prospectus does not contain all of the information set forth in the registration statement. You should read the registration statement for further information about Alcoa and its common stock.

### Incorporation of Certain Documents by Reference

The SEC allows Alcoa to “incorporate by reference” in this prospectus the information in the documents that it files with the SEC, which means that Alcoa can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus, and information in documents that Alcoa files later with the SEC will automatically update and supersede information contained in documents filed earlier with the SEC or contained in this prospectus. Alcoa incorporates by reference in this prospectus the documents listed below and any future filings that it may make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), until the completion of the offering of the securities described in this prospectus:

- Alcoa's Annual Report on Form 10-K for the year ended December 31, 2008;
- Alcoa's Quarterly Report on Form 10-Q for the quarter ended March 31, 2009;
- Alcoa's Current Reports on Form 8-K (or Form 8-K/A) filed January 7, 2009, March 16, 2009, March 20, 2009 and March 24, 2009; and
- The description of Alcoa's common stock, par value \$1.00 per share, contained in Alcoa's Registration Statement on Form S-3ASR (File No. 333-149623), filed March 10, 2008.

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

Alcoa will furnish without charge to you, upon written or oral request, a copy of any or all of the documents incorporated by reference in this prospectus. Exhibits to those documents will not be provided unless they are specifically incorporated by reference. Alcoa will also furnish without charge to you, upon written or oral request, reports, proxy statements and other communications distributed to Alcoa's shareholders generally if you do not otherwise receive such material. Requests for copies should be addressed to:

Alcoa Inc.  
Attention: Investor Relations  
390 Park Avenue  
New York, New York 10022-4608  
Telephone: (212) 836-2674

Alcoa will also furnish without charge to you, upon written or oral request, a copy of all the documents that then constitute part of the 2009 Plan Prospectus. Requests for copies should be addressed to: Alcoa Manager, Stock Administration, Alcoa Inc., 201 Isabella Street, Pittsburgh, PA 15212, toll-free telephone 1-877-281-2088.

**For information about the 2009 Plan or Alcoa, you should rely only on the information contained or incorporated by reference in this prospectus or the other documents constituting part of the 2009 Plan Prospectus. Alcoa has not authorized anyone to provide you with different or additional information. You should not assume that the information in any document constituting part of the 2009 Plan Prospectus is accurate as of any date other than the date on the front of the document.**

## INFORMATION CONCERNING THE 2009 PLAN

*The following summary of certain provisions of the 2009 Plan is not meant to be complete. For more information, you should refer to the full text of the 2009 Plan, including the definition of terms used and not defined in this prospectus.*

### General Information

The 2009 Plan authorizes the Compensation and Benefits Committee (the “Committee”) of the Board of Directors of Alcoa to make stock-based awards to employees of Alcoa and its subsidiaries. The 2009 Plan also authorizes the Board of Directors to make stock-based awards to non-employee directors.

The purpose of the 2009 Plan is to encourage participants to acquire an increased proprietary interest in the long-term growth and financial success of Alcoa and to further link the interests of such individuals to the long-term interests of shareholders.

### Term

The 2009 Plan became effective on May 8, 2009 and replaced the 2004 Alcoa Stock Incentive Plan (the “Prior Plan”). No awards may be granted under the Prior Plan after April 30, 2009. All outstanding awards previously granted under the Prior Plan will continue to be governed by and administered under the Prior Plan. No awards may be granted under the 2009 Plan after May 7, 2019.

### Eligibility

All employees of Alcoa and its subsidiaries and all non-employee directors of Alcoa are eligible to be selected as participants under the 2009 Plan.

### Administration of the 2009 Plan

The 2009 Plan is administered by the Committee. Committee members must be independent directors and outside directors to satisfy applicable regulatory requirements. This means that they cannot be current or former Alcoa officers or employees, and they may not receive compensation from Alcoa except in their capacity as directors. The members of the Committee are appointed by a majority vote of the Board from among its members based on the recommendations of the Governance and Nominating Committee and serve until such member’s successor is duly appointed and qualified or until such member’s resignation, expiration of term or removal by a majority vote of the Board.

The Committee has the authority, subject to the terms of the 2009 Plan, to:

- select employees to whom awards may be granted;
- determine the types of awards and the number of shares to be covered by each employee award;
- determine the terms and conditions of employee awards;
- determine whether, to what extent and under what circumstances employee awards may be settled in cash, shares or other property or may be canceled or suspended;
- determine whether, to what extent and under what circumstances cash, shares and other property and other amounts payable with respect to employee awards may be deferred;
- interpret the 2009 Plan and any instrument or agreement entered into under the 2009 Plan;
- establish rules and regulations and appoint agents for the proper administration of the 2009 Plan; and
- make any other determination and take any other action that the Committee deems necessary or desirable for administration of the 2009 Plan.

The Board of Directors has similar authority with respect to awards to non-employee directors. The Board may assume responsibilities otherwise assigned to the Committee. In addition, the 2009 Plan permits delegation of certain authority to senior officers in limited instances to make, cancel or suspend awards to employees who are not Alcoa directors or executive officers.

Additional information about the 2009 Plan and its administration, including information about outstanding grants, participants' rights under the 2009 Plan, and how to use the 2009 Plan features, is available to participants from the following two resources:

- **Solenture, Inc.**, the plan administrator, can be contacted:
  - By phone weekdays from 8 a.m. to 5 p.m. Eastern U.S. Time at
    - 225-4431 on the Alcoa Network,
    - 1-877-281-2088 from within the U.S., or
    - 1-412-281-2088 outside the U.S.
  - Via e-mail to: *StockOptionAdmin.pit@alcoa.com*
  - By mail addressed to:  
Solenture, Inc.  
Four Gateway Center  
444 Liberty Avenue, Suite 1105  
Pittsburgh, PA 15222-1207
- The stock incentives website at ***www.alcoastockincentives.com*** (or such other website as may replace the foregoing and shall be timely notified by Alcoa to participants).

Other than the information provided to participants by or through the above resources, account statements will not be sent to participants under the 2009 Plan.

#### **Shares Available for Awards**

Shares of Alcoa common stock issued under the 2009 Plan may consist of authorized and unissued shares, treasury shares or shares purchased in the open market or otherwise. Treasury shares (shares reacquired by Alcoa and held in its treasury, including, without limitation, shares reacquired under Alcoa's open market share repurchase program) are currently planned to be used for the 2009 Plan.

#### **Shares Authorized and Award Limits**

Up to 35 million shares of Alcoa common stock may be issued under the 2009 Plan. Any award other than a stock option or stock appreciation right will count as 1.75 shares for purposes of the foregoing authorization. Stock options and stock appreciation rights will be counted as one share for each option or stock appreciation right. In addition to the 35 million shares, the following shares will be available for issuance under the 2009 Plan:

- shares that are issued under the 2009 Plan which are subsequently forfeited, cancelled or expire in accordance with the terms of the award; and
- shares that had previously been issued under the Prior Plan that are outstanding as of the date of the 2009 Plan which are subsequently forfeited, cancelled or expire in accordance with the terms of the award.

Non-employee directors may not receive awards of more than 10,000 shares in any one-year period.

#### **Types of Awards**

The following types of awards may be granted under the 2009 Plan:

- Nonqualified stock options (without reload features);
- Stock appreciation rights;
- Restricted shares;
- Restricted share units; and
- Other forms of awards authorized by the 2009 Plan.

These forms of awards may have a performance feature under which the award is not earned unless performance goals are achieved. See “*Performance Awards*” below.

*Stock Option Awards.* Under the 2009 Plan, stock option awards entitle a participant to purchase shares of Alcoa common stock at a fixed price during the option term which is equal to the fair market value of Alcoa’s stock on the date of the grant. The minimum vesting period for stock options is one year. The maximum term of stock options granted is ten years. The Committee has discretion to cap the amount of gain that may be obtained in the exercise of the stock option. Options with a reload feature will not be granted under the 2009 Plan. The option price must be paid in full upon exercise of the option, in cash, or by surrendering shares of Alcoa common stock that were owned for a certain minimum period and whose value equals the option price, or by a combination of cash, shares or other consideration approved by the Committee.

*Stock Appreciation Rights.* A stock appreciation right (“SAR”) entitles the holder to receive, on exercise, the excess of the fair market value of the shares on the exercise date (or, if the Committee so determines, as of any time during a specified period before the exercise date) over the SAR grant price. The Committee may grant SAR awards as stand-alone awards or in combination with a related option award under the 2009 Plan. The SAR grant price is set by the Committee and may not be less than the fair market value of the shares on the date of grant. Payment upon exercise will be in cash, stock or other property or any combination of cash, stock or other property as the Committee may determine. Unless otherwise determined by the Committee, any related option will no longer be exercisable to the extent the SAR has been exercised, and the exercise of an option will cancel the related SAR. The Committee has discretion to cap the amount of gain that may be obtained in the exercise of a SAR. The maximum term of SARs is ten years, or if granted in tandem with an option, the expiration date of the option. The minimum vesting period of a SAR is one year.

*Restricted Shares.* A restricted share is a share issued with such contingencies or restrictions as the Committee may impose. Until the conditions or contingencies are satisfied or lapse, the stock is subject to forfeiture. Restricted share awards that are restricted only on the passage of time will have a minimum three-year pro-rata restriction period (the restrictions lapse each year as to 1/3 of the restricted share awards); *provided, however*, that a restriction period of less than this period may be approved for awards with respect to up to 5% of the shares authorized under the 2009 Plan. A recipient of a restricted share award has the right to vote the shares and receive dividends on them unless the Committee decides otherwise. Upon termination of employment before the end of the contingency period, the award is forfeited by the participant, subject to such exceptions as authorized by the Committee.

*Restricted Share Units.* A restricted share unit is an award of a right to receive, in cash or shares, as the Committee may determine, the fair market value of one share of Alcoa common stock, on such terms and conditions as the Committee may determine. Restricted share units that are vested only on the passage of time have a minimum three-year pro-rata vesting period (1/3 vests each year), *provided* that a vesting period of less than three years may be approved for restricted share units with respect to up to 5% of the shares authorized under the 2009 Plan.

*Performance Awards.* A performance award may be in any form of award permitted under the 2009 Plan. Alcoa has in the past granted performance awards in the form of options and restricted share units. The Committee may select periods of at least one year during which performance criteria chosen by the Committee are measured for the purpose of determining the extent to which a performance award has been earned. The Committee decides whether the performance levels have been achieved, what amount of the award will be paid and the form of payment, which may be cash, stock or other property or any combination.

## **Dividends**

The Committee may provide that dividends or dividend equivalents will be paid on shares covered by outstanding restricted share units or restricted shares but no dividends may be paid on stock options or SARs. Dividends or dividend equivalents may be accrued on performance restricted share units and paid out after the number of awards earned is determined. No dividends or dividend equivalents may be paid on unearned performance restricted share units.

### **Substitute Awards**

The Committee may grant awards to employees of companies acquired by Alcoa or a subsidiary in exchange for or assumption of outstanding stock-based awards issued by the acquired company. Shares covered by substitute awards will not reduce the number of shares otherwise available for award under the 2009 Plan.

### **Option and SAR Repricing Prohibited**

The 2009 Plan prohibits repricing of options or SARs without shareholder approval. Repricing means the cancellation of an option or SAR in exchange for cash, other awards or the grant of a new option or SAR with a lower exercise price than the original option or SAR, or the amendment of an outstanding award to reduce the grant price. The grant of a substitute award (as described above) is not a repricing.

### **Adjustments**

The 2009 Plan provides for adjustments of awards and shares authorized for issuance under the 2009 Plan in the event of any merger, reorganization, consolidation, recapitalization, stock dividend, stock split, reverse stock split, spin-off or other change in corporate structure affecting the common stock of Alcoa. In that event, the Committee will make such adjustments or substitutions as the Committee in its sole discretion deems equitable or appropriate, including, without limitation, such adjustments in the aggregate number, class and kind of securities that may be delivered under the 2009 Plan (including the substitution of similar awards denominated in the shares of another company) and in the number, class, kind and option or exercise price of securities subject to outstanding stock options, SARs or other awards granted under the 2009 Plan.

### **Consideration for Awards; Withholding Taxes**

Unless otherwise determined by the Committee, and except as required to pay the purchase price of options, recipients of awards are not required to make any payment or provide consideration other than rendering of services.

The 2009 Plan authorizes Alcoa to withhold from any award granted or payment due under the 2009 Plan the amount of withholding taxes due in respect of an award or payment and to take such other action as may be necessary to satisfy all obligations for the payment of such taxes. The Committee may establish procedures for election by participants to satisfy such obligations.

### **Transferability of Awards; Creation of Liens**

Awards may be transferred by will or the laws of descent and distribution and are exercisable during the participant's lifetime only by the participant or, if permissible under applicable law, by the participant's guardian or legal representative. A participant may, in the manner established by the Committee, designate a beneficiary to exercise the rights of the participant with respect to any award upon the death of the participant. Awards may be transferred to family members or to a trust whose beneficiaries include the participant or family members under terms and conditions established by the Committee. The Committee has the authority to determine, at the time of grant, any other rights or restrictions applicable to the transfer of awards; *provided, however*, that awards may not be transferred to a third party for value or consideration. Any award will be null and void upon any attempted assignment or transfer, except as provided in the 2009 Plan or the terms and conditions established for an award, including any purported assignment, pledge, hypothecation or other disposition.

Except as described above, no person has or may create a lien on any funds, securities or other property held under the 2009 Plan.

### **Change in Control Provisions**

The definition of change in control under the 2009 Plan is based on the Internal Revenue Code Section 409A definition. It provides that if one of the following events has occurred, a change in control of Alcoa will have happened:

- (a) any one person or more than one person acting as a group (as determined in accordance with Section 1.409A-3(i)(5)(v)(B) of the regulations promulgated under the Code) (a "*Person*") acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person), in either case whether by purchase in the market, tender offer, reorganization, merger, statutory share



exchange or consolidation, other similar transaction involving the Company or any of its subsidiaries or otherwise (a “*Transaction*”), common stock of the Company possessing 30% or more of the total voting power of the stock of the Company unless (A) all or substantially all of the individuals and entities that were the beneficial owners of the then-outstanding shares of common stock of the Company (the “*Outstanding Company Common Stock*”) or the combined voting power of the then outstanding voting securities of the Company (the “*Outstanding Company Voting Securities*”) immediately prior to such Transaction own, directly or indirectly, 50% or more of the then-outstanding shares of common stock (or, for a non-corporate entity, equivalent securities) and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors (or, for a non-corporate entity, equivalent governing body), as the case may be, of the entity resulting from such Transaction (including, without limitation, an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Transaction of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, and (B) at least a majority of the members of the board of directors (or, for a non-corporate entity, equivalent governing body) of the entity resulting from such Transaction were members of the board of directors of the Company at the time of the Transaction (which in the case of a market purchase shall be the date 30% ownership was first acquired, in the case of a tender offer, when at least 30% of the Company’s shares were tendered, and in other events upon the execution of the initial agreement or of the action of the Board providing for such Transaction); and provided, further, that, for purposes of this paragraph, the following acquisitions shall not constitute a Change in Control: (i) any acquisition directly from the Company, (ii) any acquisition by the Company, or (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate;

(b) a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the Company’s Board before the date of such appointment or election; or

(c) any Person acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person) assets of the Company that have a total gross fair market value of more than 40% of the total gross fair market value of all of the assets of the Company immediately before such acquisition or acquisitions.

In order to preserve the value of outstanding awards for participants in the event of a change in control of Alcoa, unless the Committee determines otherwise at the time of grant of a particular award:

- all outstanding option and SAR awards vest and are immediately exercisable;
- any restrictions, conditions or deferral limitations on restricted share awards, restricted share units or other awards lapse; and
- all performance awards will be earned at the target amount of shares covered by the award if the change in control event occurs during the performance period, or at the actual amount of the award if the change in control event occurs thereafter.

If approved by the Committee, participants may receive a cash settlement of existing awards upon a change in control of Alcoa in accordance with the provisions of the 2009 Plan.

#### **Amendment and Termination**

The Board of Directors may amend, alter, suspend, discontinue or terminate the 2009 Plan or any portion of the 2009 Plan at any time, except that no such action may be made:

- without the consent of the affected participant, if such action would impair the rights of such participant under any outstanding award (except as described below under “Cancellation of Awards”); or
- without shareholder approval, if a proposed amendment or alteration would increase the benefits accruing to participants, increase the maximum number of shares that may be issued under the 2009 Plan, modify the 2009 Plan’s eligibility requirements, or accelerate, lapse or waive restrictions other than in the case of death, disability, retirement or change in control.

Notwithstanding anything to the contrary in the 2009 Plan, the Committee may amend the 2009 Plan to conform to local rules and regulations in any jurisdiction outside the United States or to qualify for or comply with tax or regulatory requirements for which or with which the Board of Directors deems it necessary or desirable to qualify or comply.

### **Cancellation of Awards**

The 2009 Plan authorizes the Committee to cancel or suspend any award under the 2009 Plan if, at any time before a change in control:

- an employee, without the consent of the Committee, while employed by Alcoa or after termination of employment, becomes associated with, employed by, renders services to or owns any interest (other than an interest of up to 5% in a publicly traded company or any other nonsubstantial interest, as determined by the Committee) in any business that is in competition with Alcoa; or
- a participant willfully engages in conduct which is injurious to Alcoa, monetarily or otherwise.

In addition, in accordance with Alcoa's Corporate Governance Guidelines, if the Board of Directors learns of any misconduct by an executive officer that contributed to Alcoa having to restate all or a portion of its financial statements, the Board will, to the full extent permitted by governing law, in all appropriate cases, effect the cancellation and recovery of awards (or the value of awards) previously granted to the executive officer under the 2009 Plan if: (i) the amount of the award was calculated based upon the achievement of certain financial results that were subsequently the subject of a restatement, (ii) the executive engaged in intentional misconduct that caused or partially caused the need for the restatement, and (iii) the amount of the award had the financial results been properly reported would have been lower than the amount actually awarded.

### **Tax Aspects of the 2009 Plan**

The following summary of the material U.S. tax consequences that may accrue to participants as a result of participation in the 2009 Plan, as well as the tax effects upon Alcoa, is limited in the following ways:

- Tax consequences of participating in the 2009 Plan can vary depending on each participant's tax situation. Participants are responsible for consulting with tax advisors to determine the tax effect of 2009 Plan participation in light of current and proposed federal, state, local, foreign and other tax laws.
- The discussion is based on current law. Changes in the law may change the tax treatment described below.
- The discussion does not cover state, local, foreign or other tax laws.

The grant of a nonqualified stock option or SAR under the 2009 Plan has no U.S. federal income tax consequences for a U.S. citizen or resident or Alcoa. Upon exercise of a stock option or SAR, Alcoa may take a tax deduction, and the participant realizes ordinary income. The amount of this deduction and income is equal to the difference between the fair market value of the shares on the date of exercise and the fair market value of the shares on the grant date. The Committee may permit or require participants to surrender Alcoa shares in order to satisfy the required withholding tax obligation.

Regarding 2009 Plan awards (other than options or SARs) that are settled either in cash or in stock or other property that is either transferable or not subject to substantial risk of forfeiture, a U.S. citizen or resident must recognize ordinary income equal to the cash or the fair market value of shares or other property received. Alcoa may take a deduction at that same time and for the same amount.

Regarding 2009 Plan awards (other than options or SARs) that are settled in stock or other property that is subject to contingencies restricting transfer and to a substantial risk of forfeiture, a U. S. citizen or resident will generally recognize ordinary income equal to the fair market value of the shares or other property received (less any amount paid by the participant) when the shares or other property first become transferable or not subject to substantial risk of forfeiture, whichever occurs first. Alcoa may take a deduction at the same time and for the same amount.

The Committee may adjust awards to participants who are not U.S. citizens or U.S. residents to recognize differences in local law or tax policy and may impose conditions on the exercise or vesting of awards to minimize tax equalization obligations for expatriate employees.

### **Performance-Based Compensation**

Section 162(m) of the Internal Revenue Code limits the amount of the deduction that Alcoa may take on its U.S. federal tax return for compensation paid to any of the named executive officers in Alcoa's proxy statement (the Code refers to these officers as "covered employees"). The limit is \$1 million per covered employee per year, with certain exceptions. This deductibility cap does not apply to "performance-based compensation," if approved by shareholders. The annual limits on performance-based compensation per participant for awards intended to comply with Section 162(m) are: 1 million shares if the award is in the form of restricted shares or restricted stock units; 4 million shares if the award is in the form of stock options or SARs; and \$10 million in value if the award is paid in property other than shares.

### **Restrictions on Resale of Shares**

All employees and directors are required to comply with Alcoa's Insider Trading Policy. That policy prohibits employees and directors from trading in Alcoa securities unless the employee or director is sure that he or she does not possess material non-public or inside information. Participants should refer to the Insider Trading Policy for the specific restrictions and requirements of the policy.

A participant in the 2009 Plan who is an "affiliate" of Alcoa, as defined under U.S. federal securities laws, may not resell any shares of Alcoa common stock acquired under the 2009 Plan except under an effective registration statement filed with the SEC, under Rule 144 under the Securities Act, or otherwise under an applicable exemption from registration under the Securities Act. Because an "affiliate" is a person who "controls" Alcoa, this restriction on resale 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.

Directors and senior officers of Alcoa who have been designated as subject to Section 16 of the Exchange Act are required to report to the SEC changes in their ownership of Alcoa equity securities and to disgorge to Alcoa any profits realized on "short-swing transactions" (i.e., a purchase and sale, or sale and purchase, of Alcoa's equity securities in certain transactions that occur within a period of less than six months). Directors and such senior officers must also refrain from engaging in short sales of Alcoa's equity securities.

### **ERISA; Status as Qualified Plan**

The 2009 Plan is not subject to any of the provisions of the Employee Retirement Income Security Act of 1974, and is not a "qualified" plan under Section 401(a) of the Internal Revenue Code of 1986, as amended.