Your Retirement Guide

A step-by-step checklist
You’re Retiring Soon

Congratulations! Retirement is a big step.

You’ll be asked to make many important decisions about your Arconic benefits and your financial security over the next few weeks and months. This easy-to-use guide takes you step by step through the Arconic retirement process. It also gives you information about some of the other things you need to know, do, and consider to make sure that your retirement starts off right.

How to Get Started

Just call 1-844-9ARCONIC (844-927-2664) and enter the last four digits of your Social Security number, enter your date of birth, choose the “retirement” option, and, when prompted, enter your PIN. You’ll be transferred to a Retirement Specialist. That specialist will be your single point of contact for the entire process, and he or she will work with you—using this guide—until you retire. Your Retirement Specialist’s job is to make the process easy, convenient, and hassle free—and to make sure that you retire with peace of mind.

Note: If your Retirement Specialist isn’t available when you call, another specialist can provide an update for you or schedule a time for your Retirement Specialist to return your call.

TIP: START THE PROCESS THREE MONTHS OUT.

While you’re able to estimate your projected retirement benefit at any time before you actually begin the retirement process, plan to start the retirement process 90 days before you want to retire. This will give both you and Arconic enough time to get everything in place for a smooth transition.
Working With Your Retirement Specialist

Retirement specialists understand how important your retirement decisions are. They’ll take all of your benefit elections over the phone, help you complete and return any required paperwork, and help you understand:

- How to choose a retirement date that maximizes the benefits you’ll receive from Arconic;
- What your benefit options are;
- The forms and information you’ll receive in the mail about your benefits;
- The topics you may want to discuss with a financial and/or tax advisor for your retirement savings;
- How to begin your Social Security and Medicare benefits, if applicable; and
- What action steps you need to take and when.

TIP: REMEMBER TO REPORT ADDRESS CHANGES.

After you retire, don’t forget to let Arconic know when your address changes. To report an address change, visit the UPoint Web site at http://resources.hewitt.com/arconic or call 1-844-9ARCONIC (844-927-2664) and ask to speak with a representative. You’ll need to enter the last four digits of your Social Security number, your date of birth, and password.

Online Tools and Information

If you like using the Internet, visit the UPoint Web site at http://resources.hewitt.com/arconic for detailed, personalized information about your Arconic benefits and easy-to-use modeling tools that will help you make decisions about your benefit options. You can even complete the entire retirement process online, if you want to, without the assistance of a Retirement Specialist. Of course, you may call a Retirement Specialist at any time if you need help.

TIP: REMEMBER YOUR PASSWORD.

For your security, you’ll need to enter the last four digits of your Social Security number, date of birth, and password to work with a Retirement Specialist or access personalized information or modeling tools on the UPoint Web site. If you don’t know your password, visit http://resources.hewitt.com/arconic or call 1-844-9ARCONIC (844-927-2664) to request a new one. Don’t forget your Social Security number and password—you’ll need them to call or log on after you’ve retired, too.
Retirement Date

Note: Pension payments are sent at the end of the month of your Benefit Commencement Date* (e.g., if your BCD is September 1, 2016, your payment would be sent by September 30, 2016).

Receive your pension payment. Review that your deductions are reflected in your check or direct deposit advice.

If you’re not receiving a pension and are eligible to enroll in retiree health care, make arrangements to have premiums deducted from your checking or savings account. Log on to the UPoint Web site for more information.

Notify ARCONIC4U if you’re electing COBRA coverage for health benefits that you’re not continuing into retirement (i.e., dental or the Health Care Fund, if applicable).

*If you’re eligible for the SRP, you’ll receive your SRP at the end of the month of your BCD and your monthly annuity will begin three months later.
Your Retirement Action Checklist

Use this checklist to keep track of what you need to do as you work through the retirement process.

Your Arconic Benefits

**Pension Plan**

**WHAT YOU NEED TO KNOW**
- If you’re vested in the plan, you’ll receive a pension benefit.

**Important: Choose your retirement date carefully.** Your age and years of service have a big impact on the amount of your Pension Plan benefit. Your Retirement Specialist can give you the information you need to help you make the decision that’s right for you.

**WHAT YOU NEED TO DO**
- Confirm your retirement date and the form of payment you want, as well as how you want to receive it.
- Return the required forms at least 30 days before your retirement date to make sure that your payments won’t be delayed.
- Have your bank or other account information available to set up direct deposit.
- Call your Retirement Specialist or visit the UPoint Web site for more information.

**Retirement Savings Plan**

**WHAT YOU NEED TO KNOW**
- Your plan contributions stop when you retire.
- You may continue making monthly loan payments or repay your loan in full. If you don’t continue making repayments or don’t repay the loan in full, or if you take a Total Distribution from the Plan, the remaining loan balance plus any applicable interest will be subject to federal, and in some cases, state income taxes. This amount may also be subject to an additional 10% penalty tax on early distributions.
- You can leave your money in the plan, take a portion or all of it in cash, or roll over a portion or all of it into an IRA (until age 69).
- You’ll continue to choose how any money you leave in the plan is invested.

**WHAT YOU NEED TO DO**
- Choose how and when you want to take money out of the plan. Consider consulting Aon Hewitt Financial Advisors LLC (AFA), in partnership with Financial Engines. The Web site is accessible through the UPoint Web site, or any other financial planner.
- Call your Retirement Specialist or visit the UPoint Web site for more information.
**Health Plan**

**WHAT YOU NEED TO KNOW**
- You (and your spouse or other dependents) may be eligible for the Retiree Health Care Plan.
- The plan works in conjunction with Medicare when you become Medicare eligible (usually when you reach age 65). It’s important to sign up for Medicare to receive full plan benefits. (See page 11.)
- Your monthly premium will be deducted from your monthly pension payment. If you won’t be receiving pension payments or if your pension doesn’t cover your premium amount, you’ll be billed—or you can sign up for direct debit.

**Important:**
- If you opt out of the Arconic Retiree Health Care Plan now, you can enroll at a later date if you experience a qualified status change or annually during your annual enrollment period.
- If you enroll now but drop your coverage or become ineligible for coverage in the future, you are able to reenroll as long as you’ve experienced a qualified status change or reenroll during your annual enrollment period.
- If your coverage ends due to nonpayment, you are not eligible to reenroll in the Arconic Retiree Health Care Plan.

**WHAT YOU NEED TO DO**
- Find out if you’re eligible to enroll.
- Decide if you want to enroll.
  - If you want to opt out, you may temporarily continue your coverage through COBRA (see below).
- Enroll before your retirement date.
- Have your bank or other account information available to set up direct debit, if needed.
- Call your Retirement Specialist or visit the UPoint Web site for more information.

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**Dental, Vision, and Health Care Spending Account**

**WHAT YOU NEED TO KNOW**
- Coverage generally ends on your retirement date.
- You may temporarily continue your coverage through COBRA (see below).
- You may submit spending account claims for expenses that you incurred before your retirement date until March 31 of the calendar year following your claim.

**WHAT YOU NEED TO DO**
- See COBRA (below).

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**COBRA**

**WHAT YOU NEED TO KNOW**
- If you decide to opt out of the Retiree Health Care Plan, you may temporarily continue your health, dental, and vision coverage—as well as your Health Care Spending Account contributions—through COBRA.

**WHAT YOU NEED TO DO**
- Decide if you want COBRA coverage.
- Enroll when you receive your COBRA enrollment materials in the mail.
- Have your bank or other account information available to set up direct debit.
- Call your Retirement Specialist or visit the UPoint Web site for more information.
### Life Insurance

**WHAT YOU NEED TO KNOW**
- Supplemental and dependent life, business travel accident, and accidental death and dismemberment insurance coverage ends on your retirement date.
- You may convert life insurance coverage that doesn’t continue into retirement to an individual policy within 30 days of your retirement date.

**WHAT YOU NEED TO DO**
- Decide if you want to continue your current coverage.
- Contact MetLife Insurance Company at [www.metlife.com](http://www.metlife.com), a local MetLife agent in your area, or **1-800-638-6420** to convert your current coverage.
- Call your Retirement Specialist or visit the UPoint Web site for more information.

### Disability

**WHAT YOU NEED TO KNOW**
- Short-term disability, long-term disability, and sickness and accident insurance coverage ends on the day you retire.

### Vacation Time

**WHAT YOU NEED TO KNOW**
- If you are an hourly employee eligible for the Special Retirement Pension (SRP), your unpaid vacation time can be applied to your SRP.
- If you are not eligible for the SRP, any unused vacation time will be paid out to you automatically.

### Retiree Programs

**WHAT YOU NEED TO KNOW**
- You may be eligible for the following as of your retirement date: gifts, awards, club memberships, discounts, and credit unions.
**Social Security**

**WHAT YOU NEED TO KNOW**
- You may begin receiving a reduced benefit as early as age 62; you’ll begin receiving a full benefit between ages 65 and 67, depending on your birth date.

**Important:** Apply for Social Security benefit, if eligible, three months before your retirement date to ensure that your benefits will begin when you need them to.

**WHAT YOU NEED TO DO**
- Apply for benefits.
- Visit [www.socialsecurity.gov](http://www.socialsecurity.gov) or call 1-800-772-1213.

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**Medicare**

See page 11 for more information.

**WHAT YOU NEED TO KNOW**
- You’ll be automatically enrolled in Medicare when you sign up for Social Security benefits, unless you elect otherwise.
- You need to enroll within three months before you reach age 65. If you wait, you may have to pay a premium penalty for Medicare Part B coverage.

**Important:** Enroll in Medicare, if eligible, three months before your retirement date to ensure that your benefits will begin when you need them to and to avoid possible premium penalties.

**WHAT YOU NEED TO DO**
- Enroll in Medicare before you reach age 65, unless you are working and have active benefits.
- Visit [www.socialsecurity.gov](http://www.socialsecurity.gov) or call 1-800-772-1213.
- For information about Medicare, visit [www.medicare.gov](http://www.medicare.gov) or call 1-800-MEDICARE (1-800-633-4227).

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**Medicare Part D**

See page 11 for more information.

**WHAT YOU NEED TO KNOW**
- Arconic’s prescription drug coverage was certified to be comparable to or better than Medicare Part D drug coverage. As a result, you don’t need to enroll in Medicare Part D. You can have both Medicare Part D coverage and Arconic prescription drug coverage. However, if you enroll in Medicare Part D coverage, only Medicare Part D coverage will pay your prescription claims.
- You can find more information about the Medicare Part D prescription drug plans that are available to you (they’re offered only through private companies) by using the “Prescription Drug Plan Finder” tool on Medicare’s Web site at [www.medicare.gov](http://www.medicare.gov) or by calling 1-800-MEDICARE (1-800-633-4227).
- You should know that, although Medicare offers prescription drug coverage, you are not required to choose this coverage through Medicare. Arconic will continue to provide your retiree prescription drug coverage. If you enroll in Medicare prescription drug coverage, you’re required to pay a monthly premium to the Medicare drug plan and a share of the costs for your medications, so you will be paying more for additional insurance that you may not need. Medicare prescription drug coverage will not supplement your Arconic retiree drug plan, and your Arconic retiree drug plan will not supplement Medicare prescription drug coverage. There will be no coordination between the two plans.
### Pension and Savings Plan Benefits From Previous Employers

**What You Need To Know**
- Are you eligible for pension plan benefits from past employers?
- Do you have balances in past employers’ savings plans?

**What You Need To Do**
- Factor these benefits into your planning.
- Decide how and when you want your benefits to be paid.
- Contact your former employers and/or financial institutions.

### Personal Savings

**What You Need To Know**
- Your personal savings, including bank accounts, IRAs, brokerage accounts, and other investments, are additional sources of retirement income.

**What You Need To Do**
- Factor these savings into your planning.
- Contact your financial institutions.

### Estate Planning

**What You Need To Know**
- An estate plan ensures that you and your beneficiaries get the maximum value from your hard-earned money—both before and after your death.
- You should consider having a will, living trust, durable power of attorney, power of attorney for health care, and/or a living will.
- Estate planning is for everyone, not just wealthy people.

**What You Need To Do**
- Gather and review all your financial records, current will, etc.
- Contact a lawyer and a financial and/or tax advisor.

### Other Resources/Action Steps

**What You Need To Do**
- Review information about Medicare Part D coverage to determine if you want to enroll. (Remember that if you enroll in Medicare Part D coverage, you won’t be eligible to receive benefits paid under Arconic’s prescription drug coverage.)
- If you choose Medicare Part D coverage, enroll directly with the Medicare Part D prescription drug plan of your choice between mid-November and December 31.
Your Retirement Plan
Payment Options and Considerations

If you’re eligible, you’ll be asked to choose among several Pension Plan and Retirement Savings Plan payment options as part of the retirement process. Your Retirement Specialist can help you understand your options and the tax rules that may apply. Because these rules are very complex, you should consider talking with a qualified financial and/or tax advisor about your personal situation.

You may have to pay income taxes on your Pension Plan payments and any money you take out of the Retirement Savings Plan. Under current federal law:

- You can continue to defer income taxes in the Retirement Savings Plan until 90 days after you reach age 69. Or you can roll over lump-sum payments into an IRA or another tax-qualified plan.

- Twentypercent of lump-sum payments must be withheld for tax purposes—unless you roll them over directly into an IRA or another eligible retirement plan. The amount that’s withheld will be subtracted from what you owe in income taxes for the year in which you took the lump sum.

- If you leave the company before you reach age 55 and don’t roll over a lump sum that you take before you’re age 59 1/2, you may owe an extra 10% tax penalty in addition to your regular income taxes.

- You may roll over partial payments from the Retirement Savings Plan.
Here are some things to consider as you think about what types of payment options might be best for you. Some options may vary or not be available for the Retirement Savings Plan. Depending upon your plan, you may have additional choices. Your Retirement Specialist can help you understand your options.

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<th>If you...</th>
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<td><strong>Defer Payment</strong></td>
<td>- Can you live comfortably now if you defer your benefits? Can your personal savings or other sources of income meet your needs in the meantime?</td>
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<td><strong>Take a Lump-Sum or Total Distribution Payment</strong></td>
<td>- If you take your payment in cash, how will the taxes affect your retirement security? - What are the benefits of rolling over the lump sum directly into an IRA? Will tax-deferred growth improve your retirement security? Will you be in a lower tax bracket in a few years and be able to pay lower taxes on the money you withdraw from an IRA?</td>
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<td><strong>Take a Single Life Annuity Pension Payment</strong></td>
<td>- You’ll receive a monthly payment for the rest of your life, and payments will end when you die. - Are you married? Will choosing this option hurt your spouse’s financial security after your death? Do you have life insurance or other income or savings that will support your spouse after your death?</td>
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<td><strong>Take a Joint and Survivor Annuity Pension Payment</strong></td>
<td>- You’ll receive a monthly payment for the rest of your life. When you die, your beneficiary will receive a percentage of your monthly benefit for his or her lifetime. - Your monthly benefit will be lower than the amount that you would have received with a Single Life Annuity. The benefit amount may depend on your age, your beneficiary’s age, and the percentage of the benefit that will be paid to your beneficiary when you die.</td>
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Medicare is a federal health insurance program for people who are age 65 and older and others, including some disabled people under age 65 and people with end-stage renal disease. It has three parts:

**Part A** This covers hospital stays, care in skilled nursing facilities, home health care, hospice care, and blood transfusions. Everyone who’s eligible for Medicare gets Part A; there’s no charge for it.

**Part B** This covers doctors’ services, outpatient hospital care, and some medical supplies and equipment. It also covers some services that Part A doesn’t cover, such as certain physical and occupational therapy and home health care services. Part B, which is optional, has a monthly premium that’s deducted from your monthly Social Security benefits.

**Part D** This covers prescription drugs. Part D is optional—a monthly premium applies. Medicare delivers Part D coverage by contracting with private prescription drug plans. These plans offer standard Part D coverage and also may offer more coverage and additional drugs for higher monthly premiums. Several Medicare prescription drug plans are available in each state, so you’ll need to determine which plan best meets your needs. You may enroll in Medicare Part D between November and December 31 each year. Enrollment isn’t automatic—if you want coverage, you must enroll directly with the private prescription drug plan.

Arconic’s Retiree Health Care Plan (if eligible) works in conjunction with Medicare and determines your benefits—assuming that you have both Part A and Part B coverage and that you don’t have Part D coverage. Although enrollment in Part B is optional, **it’s important that you have both Part A and Part B coverage for Arconic’s plan to pay all eligible benefits**. Here’s why: The plan covers eligible benefits that Part B doesn’t, up to the amount that the plan would have paid on its own, whether you have Part B coverage or not. This means that if you don’t have Part B coverage, you’ll personally be responsible for paying the costs that Part B would have covered. Part D also is optional. However, Arconic’s prescription drug coverage was certified to be comparable to or better than Medicare Part D drug coverage. As a result, you don’t need to enroll in Medicare Part D coverage.

Important: If you enroll in Medicare Part D, you and any of your eligible dependents won’t be eligible for Arconic prescription drug coverage.
Your Coverage Options

Visit the UPoint Web site for more information about your options. The cost of your Arconic retiree medical coverage may change each year. You’ll receive information about any changes to pricing each fall before annual enrollment. If you’re younger than age 65 when you retire, Arconic’s plan will be your primary plan until you reach age 65 and become eligible for Medicare. If you and your spouse become eligible for Medicare at different times, you’ll be offered medical options that accommodate both of your Medicare eligibilities.

Enrolling in Medicare

You’re eligible for Medicare when you reach age 65. For your convenience, you may enroll in Medicare and apply for Social Security benefits at the same time—as early as three months before you reach age 65. (If you’re younger than age 65 and are already receiving Social Security benefits, you’ll be automatically enrolled in Medicare as of the first day of the month in which you reach age 65.) If you wait to enroll in Medicare until you’re already age 65, the start of your coverage may be delayed. Also, if you enroll after you’re age 65, you may have to pay higher premiums unless you were still working and covered by Arconic’s Medical Plan or your spouse’s plan. Special rules may apply if you are disabled.

Your Last Day at Work

Contact your local HR representative for information about what you may need to do before you leave work on your last day.