

## **SCHEDULE 1.01 DEFINITIONS**

Any reference to a document also includes any variation, restatement, replacement or novation of that document.

**"2004 Side Letter to the Charter"** means the side letter to the Restated Charter dated December 30 1994 regarding Alcoa Aluminio S.A. bauxite and alumina and inorganic industrial chemicals interests and related matters.

**"AAC"** means Alcoa Alumina & Chemicals, L.L.C. (now known as Alcoa World Alumina, LLC).

**"ACAH"** means Alcoa Caribbean Alumina Holdings, L.L.C.

**"ACAP-A"** means ACAP Australia Pty Ltd.

**"ACAP-S"** means ACAP Singapore Pty Ltd.

**"Affiliate of Alcoa"** means any entity, directly or indirectly, controlling, controlled by, or under common control with Alcoa. Without limiting the generality of the foregoing, an entity shall be deemed to be in control of or to be controlled by another entity if such entity holds 50% or more of the outstanding voting equity interest in such other entity or such other entity holds 50% or more of its outstanding voting equity interest.

**"Affiliate of Alumina"** means any entity, directly or indirectly, controlling, controlled by, or under common control with Alumina. Without limiting the generality of the foregoing, an entity shall be deemed to be in control of or to be controlled by another entity if such entity holds 50% or more of the outstanding voting equity interest in such other entity or such other entity holds 50% or more of its outstanding voting equity interest.

**"AIHC"** means Arconic International Holding Company LLC.

**"Alcoa"** means Alcoa Inc., which was formerly known as Aluminum Company of America and formerly defined herein as "ACOA". Any references to "ACOA" for or in connection with this Schedule 1.01 are taken to be references to "Alcoa".

**"Alcoa Distribution"** means the "Distribution" as defined in the Settlement Agreement.

**"Alcoa Distribution Date"** means the "Distribution Date" as defined in the Settlement Agreement.

**"Alumina"** means Alumina Limited (A.C.N.004 820 419), which was formerly known as Western Mining Corporation Holdings Limited and formerly defined herein as "WMC." Any references to "WMC" for or in connection with this Schedule 1.01 are taken to be references to "Alumina."

**"Alumina-D"** means Alumina (USA) Inc.

**"Alumina-F"** means Westminer International Holdings Limited (A.C.N.006 840 731).

**"Alumina Limited AWAC Offtake Agreements"** means the Umbrella Offtake Agreement, the Alumina Limited – AWAC Bauxite Supply Agreement, dated as of September 1, 2016, by and among Alcoa of Australia Limited, Alcoa World Alumina LLC and Alumina Limited, and the Alumina Limited – AWAC Alumina Supply Agreement, dated as of September 1, 2016, by and among Alcoa of Australia Limited, Alcoa World Alumina LLC and Alumina Limited.

**"AMJ"** means Alcoa Minerals of Jamaica, Inc. or Alcoa Minerals of Jamaica, as required by the context in which they are used.

**"A of A"** means Alcoa of Australia, Ltd.

**"ASCA"** means ASC Alumina, Inc.

**"Available Cash"** means, in respect of an Enterprise Company other than Alcoa World Alumina LLC (unless such exclusion is mutually agreed by Alumina and Alcoa to be modified following significant portfolio changes), on the relevant Calculation Date the amount of the Cash Balances and Cash Equivalents of an Enterprise Company, less any projected negative Free Cash Flow of such Enterprise

Company for the three months immediately following the relevant Calculation Date as reasonably and in good faith mutually estimated and agreed by Alcoa and Alumina under United States generally accepted accounting principles, less the Cash Threshold for such Enterprise Company.

**“Bauxite and Alumina”** means the worldwide exploration, searching and prospecting for, and the mining of bauxite and any other minerals and/or ores from which alumina or aluminum can or may be commercially produced.

**“Business Day”** means a day on which banks are open for general banking business in Melbourne, Australia and New York, New York (not being a Saturday, Sunday or public holiday in that place).

**“Calculation Date”** means, in respect of:

- (a) section 10(a) of the Restated Charter, the last Business Day of each Quarter; and
- (b) section 10(b) of the Restated Charter, each of January 31, April 30, July 31 and October 31.

**“Cash Available for Loans”** means cash on hand, demand deposits and financial investments that are convertible into cash, provided that this amount should be adjusted for expected cash requirements of such Enterprise Company for the one-month period immediately following the loan.

**“Cash Balances and Cash Equivalents”** means cash on hand, demand deposits and financial investments that are convertible in cash, less at call borrowings.

**“Cash Flow from Operating Activities”** means cash flow from operating activities, as determined in accordance with United States generally accepted accounting principles.

**“Cash Threshold”** means, in the case of:

- (a) A of A, US \$85 million;
- (b) Alcoa World Alumina Brasil Ltda, US \$35 million;
- (c) Alumina Espanola S.A., US \$10 million;
- (d) AWA Saudi Limited, US \$5 million;
- (e) Suralco, US \$5 million,

or, in each case, such other amount as may be mutually agreed by Alumina and Alcoa in respect of the relevant Enterprise Company following an annual review, or in the case of Alcoa World Alumina LLC, significant portfolio changes.

**“CBG”** means Compagnie des Bauxites de Guinee

**“C&L”** means Coopers & Lybrand accounting firm.

**“CEO's”** means Chief Executive Officers

**“CERCLA”** means Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C.Sec. 9601 *et seq.*

**“Change of Control”** of a party (the **“Target”**) means the acquisition of beneficial ownership, by any person or group of persons acting in concert with respect to the Target's securities (the **“Acquirer(s)”**), in a single transaction or series of related transactions, by way of merger, scheme of arrangement, takeover or other business combination or purchase, of securities that result in the Acquirer(s) having beneficial ownership of more than 50% of the Target's voting equity securities (an **“Acquisition Transaction”**); provided, however, that a Change of Control will be deemed not to have occurred if, immediately following such Acquisition Transaction:

- (a) the Original Target Shareholders continue to have an aggregate amount of beneficial ownership of at least 50% (**“50% threshold”**) of the voting equity securities of the Target (or the surviving company or Acquirer(s), as applicable), and
- (b) such beneficial ownership is solely attributable to the beneficial ownership of Target voting securities that they had as of immediately prior to the Acquisition Transaction (for example, if a shareholder holds shares of both the Target and the Acquirer(s), any beneficial ownership in

the relevant post-transaction entity that is attributable to its pre-transaction ownership of the Acquirer(s) shall not count toward the 50% threshold).

**“Competitor”** means any person or entity engaged in the mining of bauxite or in the processing of alumina, inorganic chemicals, or production of primary aluminum, whether directly or indirectly through any company in which it holds, whether legally or beneficially, 10% or more of the issued capital or such number of shares in the issued capital or any class of shares in the issued capital which entitles it to 10% or more of the voting power of the shares in that company.

**“Control”** of a party means a party or group of parties acting in concert with respect to such first party's securities:

- (a) directly or indirectly, more than 50% of the votes eligible to be cast at a general meeting of that party; or
- (b) the direct or indirect capacity to control the composition of that party's board or similar governing body,

whether or not based on statutory, legal or equitable rights, and whether or not arising by means of a trust, agreement or the ownership of any interest in shares or stock of that entity, and **“Controlled”** has a corresponding meaning.

**“Debt”** means indebtedness for borrowed money owed to financial institutions, or evidenced by bills, bonds or notes issued to investors.

**“Distribution”** means a distribution by an Enterprise Company as determined under section 10 of the Restated Charter and payable to each Shareholder in respect of their shares in the Enterprise Company (and in equal amount per share for all of the Shareholders). All Distributions will be in the form of a dividend unless the Enterprise Company is prohibited by law from paying dividends, in which case the Distribution will be in the form of a capital return or other form as agreed by the relevant Shareholders.

**“Distribution Date”** has the meaning set forth in the Framework Agreement.

**“EBDIAT”** means earnings before depreciation, interest, amortization and taxes, including pre-tax income from the Enterprise Companies accounted for on an equity basis.

**“Enterprise”** means the contractual arrangement by which Alumina and Alcoa shall cause the Enterprise Companies to take actions in a coordinated manner, through which Alumina and Alcoa will combine their respective current interests in bauxite mining, alumina refining and the Alcoa non-metallurgical alumina operations as well as Alcoa's shipping operations and certain integrated aluminum fabricating and smelting operations.

**“Enterprise Companies”** means those Affiliates of Alcoa or Alumina that own and operate the combination of Alcoa's and Alumina's respective current interests in bauxite mining, alumina refining and the Alcoa non-metallurgical alumina operations as well as Alcoa's shipping operations and certain integrated aluminum fabricating and smelting operations, as more particularly described on Schedules 2.02 (a) to (d) of the Restated Formation Agreement.

**“Enterprise Growth Project”** means any proposed or potential growth project within the Enterprise, including, but not limited to, any acquisition of assets or interests, any Expansion, or any other project within the Enterprise that is reasonably expected to benefit the Enterprise or any Enterprise Company.

**“Enterprise Mine”** means all bauxite mines which the Enterprise Controls, directly or indirectly, including but not limited to Huntly, Willowdale, and Juruti.

**“Enterprise Refinery”** means all alumina refineries which the Enterprise Controls, directly or indirectly, including but not limited to the Kwinana, Pinjarra, Wagerup, Sao Luis, San Ciprian, Paranam/Suralco, and Point Comfort refineries.

**“EST”** means Eastern Standard Time.

**“Exclusivity End Date”** means the date on which the amendments set out at Exhibit B of the Restated Charter commence.

**“Expansion”** means any project within the Enterprise, the purpose of which is:

- (a) the expansion of an existing Enterprise operation, facility or venture, including any mine or refinery; or
- (b) the development of a new mine, refinery or other operation or facility.

**"Financial Protocol"** means Schedule 2.06 to the Restated Formation Agreement.

**"Financial Year"** means the period from 1 January to 31 December in each year. The first half of the Financial Year means the period from 1 January to the next 30 June in each year, and the second half of the Financial Year means the period from 1 July to the next 31 December in each year.

**"Formation Date"** means the date the Enterprise is formed.

**"Framework Agreement"** means the Framework Agreement entered into between, amongst others, Alcoa and Alumina and executed on or around the date of execution of this restated document.

**"Free Cash Flow"** means Cash Flow from Operating Activities, less Sustaining Capital Expenditure.

**"GAAP"** means generally accepted accounting principles of the United States.

**"Heads of Agreement"** or **"HOA"** means the Heads of Agreement dated July 6, 1994 between Alcoa and Alumina, as supplemented by a Supplemental Agreement to Heads of Agreement.

**"ICD"** means the Industrial Chemicals Division.

**"Integrated Operations"** means those certain primary aluminum smelting, aluminum fabricating, gold mining and refining operations Alcoa facilities that exist as of the formation of the Enterprise and are run as part of an integrated operation at certain of the locations included within the Enterprise.

**"Insolvency Event"** means the happening of any of the following events in respect of a person or entity:

- (a) it is unable to pay its debts as and when they become due and payable;
- (b) a meeting is convened by its directors or equity holders to place it into voluntary liquidation or to appoint an administrator;
- (c) (i) it makes an application to a court of competent jurisdiction for its winding up or (ii) any other person makes an application to a court of competent jurisdiction for its winding up and such application is not stayed, withdrawn or dismissed within forty-five (45) days;
- (d) an order by a court of competent jurisdiction is made for it to be wound up;
- (e) the appointment of a controller for a substantial portion of its assets;
- (f) it proposes to enter into or enters into any form of compromise or arrangement (formal or informal) with, or assignment for the benefit of, its creditors or any of them, including a filing for Chapter 11 protection under US law or a deed of company arrangement;
- (g) an involuntary proceeding shall be commenced seeking relief in respect of it, or of a substantial portion of its assets, under Chapter 11 of the Bankruptcy Reform Act of 1978 or any other applicable debtor relief law and such proceeding shall continue undismissed for forty-five (45) days; or
- (h) it files for protection under Chapter 11 of the Bankruptcy Reform Act of 1978 or any other applicable debtor relief law; or
- (i) anything having a substantially similar effect to any of the events specified in paragraphs (a) to (h) above inclusive happens to it under the law of any jurisdiction.

**"LIBOR"** means the rate expressed as a percentage per annum, which is the arithmetic mean of the respective rates quoted as at 11:00 a.m. London time on the date a payment is due to be paid, on the page designated LIBOR on the Reuters Monitor Money rate service for U.S. dollar deposits for 30 days.

**“Licensed Technology”** means Alcoa technology related to the development, processing, manufacture, application or use of the products and services related in any way to the scope of Enterprise Companies and granted to AAC & ACAH.

**“Liquidating Events”** means those events identified in Section 14.2 of the LLC Agreement.

**“LLC Agreement”** means the Amended and Restated Limited Liability Company Agreement of AAC, unless the context indicates otherwise.

**“Manager”** means Alcoa, any Affiliate of Alcoa, or nominees of Alcoa acting as manager and/or operator of an Enterprise Company from time to time.

**“MRN”** means Mineracao Rio do Norte S.A.

**“Net Profits”** means the profits of the applicable Enterprise Company after making reasonable and adequate provisions for depreciation, bad debts and local taxes.

**“Original Target Shareholders”** means the individual beneficial owners of voting equity securities of Target as of immediately prior to the relevant Acquisition Transaction; provided, however, that Acquirer(s) (including any of their Related Bodies Corporate) in the Acquisition Transaction shall not constitute Original Target Shareholders.

**“Permitted Subsidiary Debt Basket”** means the maximum aggregate amount of Debt permitted to be incurred by the AWAC entities and other subsidiaries of Alcoa that are not loan parties under the Revolving Facility pursuant to the terms thereof.

**“Property”** means all real and personal property acquired by AAC and any improvements thereto, and shall include both tangible and intangible property.

**“Quarter”** means each period of three months ending on 31 March, 30 June, 30 September and 31 December in each Financial Year (or such lesser period ending on the date of termination of this document in accordance with its terms).

**“Related Bodies Corporate”** has the meaning given in the Corporations Act 2001 (Cth).

**“Restated Charter”** means the Charter of the Strategic Council of the Alcoa/Alumina Worldwide Alumina/Chemicals Enterprise originally dated December 21, 1994 between Alcoa and Alumina, as amended and restated with effect on and from the Alcoa Distribution Date pursuant to the Framework Agreement.

**“Restated Formation Agreement”** means the Worldwide Alumina/Chemicals Enterprise Formation Agreement originally dated December 21, 1994 among Alcoa, Alumina, ASCA, AIHC, Alumina-D and Alumina-F, as amended and restated with effect on and from the Alcoa Distribution Date pursuant to the Framework Agreement.

**“Restated May 1995 Letter”** means the letter agreement between Alcoa (formerly known as “Aluminum Company of America”) and Alumina (formerly known as “Western Mining Corporation Holdings Limited”) dated 16 May 1995 regarding certain restrictions on the transfer of interests in the Enterprise Companies, as amended and with effect on and from the Alcoa Distribution Date pursuant to the Framework Agreement.

**“Revolving Facility”** means the revolving credit facility of Alcoa Nederland Holding B.V. (the “Revolving Facility Borrower”) in place from time to time, as it may be amended, amended and restated, supplemented, modified, replaced or refinanced, pursuant to which the Revolving Facility Borrower may obtain revolving borrowings from the lenders party thereto.

**“Scope of Company”** means the object and purpose for which the limited liability company was formed.

**“Scope of the Enterprise”** means those businesses and related activities identified in Section 5 of the Restated Charter.

**“Settlement Agreement”** means the Settlement and Release Agreement entered into between Alcoa, Alcoa Australian Holdings Pty. Ltd, Arconic International Holding Company, ASCA, Reynolds Metals Company, Reynolds Metals Exploration, Inc. Alcoa, Alcoa Upstream Corporation, Alumina, Alumina (USA) Inc., and Alumina International Holdings Pty. Limited dated September 1, 2016.

**“Shareholder”** means a holder of common shares, ordinary shares, limited liability company interests or similar equity interests in an Enterprise Company.

**“Sole Risk Project”** has the meaning given in clause 3.2 of Exhibit C of the Restated Charter.

**“Stock Exchange”** means New York Stock Exchange.

**“Strategic Council”** means the council formed by Alcoa and Alumina to coordinate the activities of the Enterprise.

**“Suralco”** means both Suriname Aluminum Company LLC (USA) and N.V. Alcoa Minerals of Suriname (Netherlands).

**“Sustaining Capital Expenditure”** means any capital expenditure excluding capital expenditure for the purpose of any Enterprise Growth Project.

**“Target Enterprise Debt Level”** means 50% of the Permitted Subsidiary Debt Basket applicable as at the commencement of the Revolving Facility, provided that:

- (a) if the Permitted Subsidiary Debt Basket is increased for any reason, including in connection with any renewal, replacement or amendment to the Revolving Facility, this amount is increased to 50% of that increased Permitted Subsidiary Debt Basket;
- (b) if the Revolving Facility expires, terminates or ceases for any reason, the Target Enterprise Debt Level applicable immediately prior to the time the Revolving Facility expires, terminates or ceases, will continue to apply, subject to (as applicable) paragraphs (a) and (c); or
- (c) if Alcoa achieves an investment grade credit rating from either Moody's and/or Standard & Poors, the Target Enterprise Debt Level is taken to be the greater of:
  - (i) the Target Enterprise Debt Level, applicable immediately prior to Alcoa achieving such a credit rating; and
  - (ii) US \$200 million, when permissible under the Revolving Facility.

**“Tax Protocol”** means the Tax Protocol attached to the LLC Agreement as Exhibit A, as such Tax Protocol may be revised by the Members from time to time, which outlines the tax accounting procedures and related information for AAC.

**“Total Capital”** means the sum of debt (net of cash) plus any minority interest plus shareholder equity.

**“Umbrella Offtake Agreement”** means the AWAC Umbrella Offtake Specifications Agreement by and among Alcoa of Australia Limited, Alcoa World Alumina LLC, Alumina Limited and Alcoa Inc., dated as of September 1, 2016.