

|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                         |
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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2012</b><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                          |                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                           |
| For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u> |                                                                                                                                                                                                                                           |
| A This return/report is for:                                                                             | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____                         |
| B This return/report is:                                                                                 | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months). |
| C If the plan is a collectively-bargained plan, check here. . . . .                                      | <input checked="" type="checkbox"/>                                                                                                                                                                                                       |
| D Check box if filing under:                                                                             | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)                                 |

|                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------|--|
| <b>Part II</b>                                                                                                                                                                                                                              | <b>Basic Plan Information</b> —enter all requested information                                                                                                                                                                                                                                                                         |                                                                     |                                                             |                                                             |  |
| <b>1a</b> Name of plan<br><u>ALERIS LEWISPORT HOURLY EMPLOYEES PENSION PLAN</u>                                                                                                                                                             | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>1b</b> Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2"><b>1c</b> Effective date of plan<br/><u>08/01/1980</u></td> </tr> </table>                        | <b>1b</b> Three-digit plan number (PN) ▶                            | <u>001</u>                                                  | <b>1c</b> Effective date of plan<br><u>08/01/1980</u>       |  |
| <b>1b</b> Three-digit plan number (PN) ▶                                                                                                                                                                                                    | <u>001</u>                                                                                                                                                                                                                                                                                                                             |                                                                     |                                                             |                                                             |  |
| <b>1c</b> Effective date of plan<br><u>08/01/1980</u>                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
| <b>2a</b> Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)<br><br><u>ALERIS ROLLED PRODUCTS, INC.</u><br><br><u>25825 SCIENCE PARK DR STE 400</u><br><u>BEACHWOOD, OH 44122-7392</u> | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><b>2b</b> Employer Identification Number (EIN)<br/><u>27-1539745</u></td> </tr> <tr> <td><b>2c</b> Sponsor's telephone number<br/><u>216-910-3400</u></td> </tr> <tr> <td><b>2d</b> Business code (see instructions)<br/><u>331400</u></td> </tr> </table> | <b>2b</b> Employer Identification Number (EIN)<br><u>27-1539745</u> | <b>2c</b> Sponsor's telephone number<br><u>216-910-3400</u> | <b>2d</b> Business code (see instructions)<br><u>331400</u> |  |
| <b>2b</b> Employer Identification Number (EIN)<br><u>27-1539745</u>                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
| <b>2c</b> Sponsor's telephone number<br><u>216-910-3400</u>                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
| <b>2d</b> Business code (see instructions)<br><u>331400</u>                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|                                                                                                            |                                                                                                 |                        |                                                                               |
|------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------------|-------------------------------------------------------------------------------|
| <b>SIGN HERE</b>                                                                                           | Filed with authorized/valid electronic signature.<br><br><b>Signature of plan administrator</b> | 10/09/2013<br><br>Date | NICHOLAS LOSSIA<br><br>Enter name of individual signing as plan administrator |
| <b>SIGN HERE</b>                                                                                           | <b>Signature of employer/plan sponsor</b>                                                       | Date                   | Enter name of individual signing as employer or plan sponsor                  |
| <b>SIGN HERE</b>                                                                                           | <b>Signature of DFE</b>                                                                         | Date                   | Enter name of individual signing as DFE                                       |
| Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional) |                                                                                                 |                        | Preparer's telephone number (optional)                                        |

|                                                                                                                                                                                                                                                                                                                                                                                                                               |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor Name <input type="checkbox"/> Same as Plan Sponsor Address                                                                                                                                                                                                                                                           |           | <b>3b</b> Administrator's EIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                               |           | <b>3c</b> Administrator's telephone number                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                               |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:<br><b>a</b> Sponsor's name                                                                                                                                                                                                             |           | <b>4b</b> EIN<br><br><b>4c</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                       |           | <b>5</b> 1697                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                                                                        |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>a</b> Active participants.....                                                                                                                                                                                                                                                                                                                                                                                             | <b>6a</b> | 637                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                                                                                                                                                                                                                                                                                            | <b>6b</b> | 616                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                                                                                                                                                                                                                                                                                             | <b>6c</b> | 343                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                                                                                                                                                                                                                                      | <b>6d</b> | 1596                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....                                                                                                                                                                                                                                                                                                                     | <b>6e</b> | 137                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                                                                                                                                                                                                                                       | <b>6f</b> | 1733                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....                                                                                                                                                                                                                                                                                | <b>6g</b> | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....                                                                                                                                                                                                                                                                                    | <b>6h</b> | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....                                                                                                                                                                                                                                                                                          |           | <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>1B 1G 3H                                                                                                                                                                                                                                                      |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                   |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                 |           | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                             |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br>(3) <input checked="" type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |           | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |

|                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
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| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2012</b><br><br><b>This Form is Open to Public Inspection</b> |
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                           |                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>ALERIS LEWISPORT HOURLY EMPLOYEES PENSION PLAN</u>                                                            | <b>B</b> Three-digit plan number (PN) ▶ <u>001</u>                                                                                                      |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br><u>ALERIS ROLLED PRODUCTS, INC.</u>                           | <b>D</b> Employer Identification Number (EIN)<br><u>27-1539745</u>                                                                                      |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |

|               |                                                                                                                                                                                                                                  |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b> | <b>Basic Information</b>                                                                                                                                                                                                         |
| <b>1</b>      | Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2012</u>                                                                                                                                                         |
| <b>2</b>      | Assets:                                                                                                                                                                                                                          |
| <b>a</b>      | Market value ..... <b>2a</b> <u>73186544</u>                                                                                                                                                                                     |
| <b>b</b>      | Actuarial value ..... <b>2b</b> <u>74297874</u>                                                                                                                                                                                  |
| <b>3</b>      | Funding target/participant count breakdown:                                                                                                                                                                                      |
| <b>a</b>      | For retired participants and beneficiaries receiving payment ..... <b>3a</b> <u>726</u> <b>(1) Number of participants</b> <u>54325111</u> <b>(2) Funding Target</b>                                                              |
| <b>b</b>      | For terminated vested participants ..... <b>3b</b> <u>378</u> <u>9152034</u>                                                                                                                                                     |
| <b>c</b>      | For active participants:                                                                                                                                                                                                         |
| <b>(1)</b>    | Non-vested benefits ..... <b>3c(1)</b> <u>2128825</u>                                                                                                                                                                            |
| <b>(2)</b>    | Vested benefits ..... <b>3c(2)</b> <u>27565914</u>                                                                                                                                                                               |
| <b>(3)</b>    | Total active ..... <b>3c(3)</b> <u>603</u> <u>29694739</u>                                                                                                                                                                       |
| <b>d</b>      | Total ..... <b>3d</b> <u>1707</u> <u>93171884</u>                                                                                                                                                                                |
| <b>4</b>      | If the plan is in at-risk status, check the box and complete lines (a) and (b) ..... <input checked="" type="checkbox"/>                                                                                                         |
| <b>a</b>      | Funding target disregarding prescribed at-risk assumptions ..... <b>4a</b> <u>89970266</u>                                                                                                                                       |
| <b>b</b>      | Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor ..... <b>4b</b> <u>97974310</u> |
| <b>5</b>      | Effective interest rate ..... <b>5</b> <u>6.99 %</u>                                                                                                                                                                             |
| <b>6</b>      | Target normal cost ..... <b>6</b> <u>1677659</u>                                                                                                                                                                                 |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                                                                       |                                        |
|-----------------------------------------------------------------------|----------------------------------------|
| <b>SIGN HERE</b>                                                      | <u>09/18/2013</u>                      |
| Signature of actuary                                                  | Date                                   |
| <u>JAMES C. FRIES</u>                                                 | <u>11-06416</u>                        |
| Type or print name of actuary                                         | Most recent enrollment number          |
| <u>MERCER</u>                                                         | <u>313-877-7323</u>                    |
| Firm name                                                             | Telephone number (including area code) |
| <u>600 RENAISSANCE CENTER, SUITE 1800</u><br><u>DETROIT, MI 48243</u> |                                        |
| Address of the firm                                                   |                                        |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

**For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.**

**Schedule SB (Form 5500) 2012**  
**v. 120126**

| <b>Part II Beginning of Year Carryover Prefunding Balances</b> |                                                                                                                                            | (a) Carryover balance | (b) Prefunding balance |
|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b>                                                       | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                            | 0                     | 0                      |
| <b>8</b>                                                       | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                         | 0                     | 0                      |
| <b>9</b>                                                       | Amount remaining (line 7 minus line 8) .....                                                                                               | 0                     | 0                      |
| <b>10</b>                                                      | Interest on line 9 using prior year's actual return of <u>0.74</u> % .....                                                                 |                       |                        |
| <b>11</b>                                                      | Prior year's excess contributions to be added to prefunding balance:                                                                       |                       |                        |
|                                                                | <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                            |                       | 1420                   |
|                                                                | <b>b</b> Interest on (a) using prior year's effective interest rate of <u>5.91</u> % except as otherwise provided (see instructions) ..... |                       | 84                     |
|                                                                | <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                              |                       | 1504                   |
|                                                                | <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                            |                       |                        |
| <b>12</b>                                                      | Other reductions in balances due to elections or deemed elections .....                                                                    |                       |                        |
| <b>13</b>                                                      | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                                         | 0                     | 0                      |

| <b>Part III Funding Percentages</b> |                                                                                                                                                                  |           |         |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|
| <b>14</b>                           | Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 82.58 % |
| <b>15</b>                           | Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | 82.58 % |
| <b>16</b>                           | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 65.11 % |
| <b>17</b>                           | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....                                        | <b>17</b> | %       |

| <b>Part IV Contributions and Liquidity Shortfalls</b>                                    |                                   |                                 |                          |                                   |                                 |
|------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| <b>18</b> Contributions made to the plan for the plan year by employer(s) and employees: |                                   |                                 |                          |                                   |                                 |
| (a) Date<br>(MM-DD-YYYY)                                                                 | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
| 04/13/2012                                                                               | 2186037                           |                                 |                          |                                   |                                 |
| 07/09/2012                                                                               | 2186037                           |                                 |                          |                                   |                                 |
| 10/04/2012                                                                               | 249000                            |                                 |                          |                                   |                                 |
| 01/15/2013                                                                               | 1541000                           |                                 |                          |                                   |                                 |
| 09/09/2013                                                                               | 1030000                           |                                 |                          |                                   |                                 |
|                                                                                          |                                   |                                 | <b>Totals ►</b>          | <b>18(b)</b>                      | 7192074                         |
|                                                                                          |                                   |                                 |                          | <b>18(c)</b>                      | 0                               |

|                                                                                                                                                                                             |            |         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------|
| <b>19</b> Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:                                                        |            |         |
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years. ....                                                                                        | <b>19a</b> | 0       |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                                                                                          | <b>19b</b> | 0       |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....                                                                     | <b>19c</b> | 6847736 |
| <b>20</b> Quarterly contributions and liquidity shortfalls:                                                                                                                                 |            |         |
| <b>a</b> Did the plan have a "funding shortfall" for the prior year? ..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                              |            |         |
| <b>b</b> If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |            |         |
| <b>c</b> If line 20a is "Yes," see instructions and complete the following table as applicable:                                                                                             |            |         |

| Liquidity shortfall as of end of quarter of this plan year |         |         |         |
|------------------------------------------------------------|---------|---------|---------|
| (1) 1st                                                    | (2) 2nd | (3) 3rd | (4) 4th |
| 0                                                          |         | 0       | 0       |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

|                                                                                                                                                                                              |                       |                       |                        |                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|------------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                       |                       |                        |                                                     |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>5.54% | 2nd segment:<br>6.85% | 3rd segment:<br>7.52 % | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code).....                                                                                                                                                  |                       |                       |                        | <b>21b</b> 0                                        |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              |                       |                       |                        | <b>22</b> 63                                        |
| <b>23</b> Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                       |                       |                        |                                                     |

**Part VI Miscellaneous Items**

|                                                                                                                                                                        |                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. .... | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ....                                      | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....                             | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....                                    | <b>27</b>                                                           |

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

|                                                                                                                                     |           |   |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contributions for all prior years .....                                                           | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)..... | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....                                   | <b>30</b> | 0 |

**Part VIII Minimum Required Contribution For Current Year**

|                                                                                                                                                                                      |                     |                    |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|---------------|
| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                                   |                     |                    |               |
| <b>a</b> Target normal cost (line 6) .....                                                                                                                                           | <b>31a</b>          | 1677659            |               |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a .....                                                                                                           | <b>31b</b>          | 0                  |               |
| <b>32</b> Amortization installments:                                                                                                                                                 | Outstanding Balance | Installment        |               |
| <b>a</b> Net shortfall amortization installment .....                                                                                                                                | 18874010            | 5167661            |               |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       | 0                   | 0                  |               |
| <b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount ..... | <b>33</b>           |                    |               |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...                                                            | <b>34</b>           | 6845320            |               |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance | Total balance |
| <b>35</b> Balances elected for use to offset funding requirement.....                                                                                                                | 0                   | 0                  | 0             |
| <b>36</b> Additional cash requirement (line 34 minus line 35) .....                                                                                                                  | <b>36</b>           | 6845320            |               |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....                                                  | <b>37</b>           | 6847736            |               |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                                  |                     |                    |               |
| <b>a</b> Total (excess, if any, of line 37 over line 36) .....                                                                                                                       | <b>38a</b>          | 2416               |               |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                | <b>38b</b>          | 0                  |               |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....                                                                      | <b>39</b>           | 0                  |               |
| <b>40</b> Unpaid minimum required contributions for all years.....                                                                                                                   | <b>40</b>           | 0                  |               |

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**

|                                                                                                |                                                                                                                         |  |  |
|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--|--|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:                |                                                                                                                         |  |  |
| <b>a</b> Schedule elected .....                                                                | <input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years                                               |  |  |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made .....               | <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011 |  |  |
| <b>42</b> Amount of acceleration adjustment .....                                              | <b>42</b>                                                                                                               |  |  |
| <b>43</b> Excess installment acceleration amount to be carried over to future plan years ..... | <b>43</b>                                                                                                               |  |  |

|                                                                                                                                                                                                               |                                                                                                                                                                                                                |                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>SCHEDULE C</b><br><b>(Form 5500)</b><br>Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | <b>Service Provider Information</b><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                               |                                                                                                                                                                                                                | <b>2012</b>                                    |
|                                                                                                                                                                                                               |                                                                                                                                                                                                                | <b>This Form is Open to Public Inspection.</b> |

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

|                                                                                                      |                                                                    |
|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>ALERIS LEWISPORT HOURLY EMPLOYEES PENSION PLAN</u>                       | <b>B</b> Three-digit plan number (PN) ▶ <u>001</u>                 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>ALERIS ROLLED PRODUCTS, INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>27-1539745</u> |

**Part I Service Provider Information (see instructions)**

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

**1 Information on Persons Receiving Only Eligible Indirect Compensation**

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

ASTON ASSET MANAGEMENT 120 NORTH LASALLE STREET  
25TH FLOOR  
CHICAGO, IL 60602

**(b)** Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

FRANKLIN TEMPLETON INVESTMENTS P.O. BOX 33030  
ST PETERSBURG, FL 33733-8030

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

VANGUARD

23-2376849

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

WILLIAM BLAIR FUNDS 222 WEST ADAMS STREET  
12TH FLOOR  
CHICAGO, IL 60606

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

AON HEWITT

36-2235791

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 50 15                  | NONE                                                                                              | 163269                                                                 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**(a)** Enter name and EIN or address (see instructions)

MERCER

13-2834414

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 50 11 16               | NONE                                                                                              | 113520                                                                 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**(a)** Enter name and EIN or address (see instructions)

SANDERSON ASSET MANAGEMENT

20-0348128

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 68 28 51 61 62 50      | NONE                                                                                              | 69023                                                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                          |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

ERNST AND YOUNG LLP

34-6565696

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 50 10                  | NONE                                                                                              | 37816                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**(a)** Enter name and EIN or address (see instructions)

WELLS FARGO

94-2948313

| (b)<br>Service Code(s)  | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 50 16 64 25 27 28 14 10 | TRUSTEE                                                                                           | 26027                                                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                          |

**(a)** Enter name and EIN or address (see instructions)

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
|                        |                                                                                                   |                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                             | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

  

| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

  

| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

**Part II Service Providers Who Fail or Refuse to Provide Information**

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|--------------------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------|
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |

**Part III** **Termination Information on Accountants and Enrolled Actuaries (see instructions)**  
(complete as many entries as needed)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                               |                                                                                                                                                                                                                              |                                                                                                                                                                                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE D</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small> | <b>DFE/Participating Plan Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2012</div><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

|                                                                                                             |                                                                    |            |
|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------|
| <b>A</b> Name of plan<br><u>ALERIS LEWISPORT HOURLY EMPLOYEES PENSION PLAN</u>                              | <b>B</b> Three-digit plan number (PN)                              | <u>001</u> |
| <b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500<br><u>ALERIS ROLLED PRODUCTS, INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>27-1539745</u> |            |

|        |                                                                                                                                                                                  |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Part I | <b>Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)</b><br>(Complete as many entries as needed to report all interests in DFEs) |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                             |                               |                                                                                                                     |
|---------------------------------------------------------------------------------------------|-------------------------------|---------------------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>CS MCKEE CORE FIXED INCOME FD SHS</u>     |                               |                                                                                                                     |
| <b>b</b> Name of sponsor of entity listed in (a): <u>US BANK N.A.</u>                       |                               |                                                                                                                     |
| <b>c</b> EIN-PN <u>26-6096185-001</u>                                                       | <b>d</b> Entity code <u>C</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>9546034</u>  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>ABS GLOBAL EQUITY PORTFOLIO</u>           |                               |                                                                                                                     |
| <b>b</b> Name of sponsor of entity listed in (a): <u>ABS ALPHA LTD</u>                      |                               |                                                                                                                     |
| <b>c</b> EIN-PN <u>98-0544028-001</u>                                                       | <b>d</b> Entity code <u>E</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>10125351</u> |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>JPM STRAT PROP IRT DECENT MIR HLD</u>     |                               |                                                                                                                     |
| <b>b</b> Name of sponsor of entity listed in (a): <u>JP MORGAN CHASE BANK N.A.</u>          |                               |                                                                                                                     |
| <b>c</b> EIN-PN <u>13-6038770-001</u>                                                       | <b>d</b> Entity code <u>C</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>8520043</u>  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>SANDERSON INTL VAL EQUITY FUND</u>        |                               |                                                                                                                     |
| <b>b</b> Name of sponsor of entity listed in (a): <u>SANDERSON ASSET MANAGEMENT LIMITED</u> |                               |                                                                                                                     |
| <b>c</b> EIN-PN <u>20-0348128-001</u>                                                       | <b>d</b> Entity code <u>E</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>8242597</u>  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                              |                               |                                                                                                                     |
| <b>b</b> Name of sponsor of entity listed in (a):                                           |                               |                                                                                                                     |
| <b>c</b> EIN-PN                                                                             | <b>d</b> Entity code          | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)                 |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                              |                               |                                                                                                                     |
| <b>b</b> Name of sponsor of entity listed in (a):                                           |                               |                                                                                                                     |
| <b>c</b> EIN-PN                                                                             | <b>d</b> Entity code          | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)                 |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                              |                               |                                                                                                                     |
| <b>b</b> Name of sponsor of entity listed in (a):                                           |                               |                                                                                                                     |
| <b>c</b> EIN-PN                                                                             | <b>d</b> Entity code          | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)                 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)

**Part II Information on Participating Plans (to be completed by DFEs)**

(Complete as many entries as needed to report all participating plans)

**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2012</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2012 or fiscal plan year beginning <b>01/01/2012</b> and ending <b>12/31/2012</b>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                           |
| <b>A</b> Name of plan<br><b>ALERIS LEWISPORT HOURLY EMPLOYEES PENSION PLAN</b>                                                                                                                                                                                           | <b>B</b> Three-digit plan number (PN) <b>►</b>                                                                                                                                                                                                                               | <b>001</b>                                                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>ALERIS ROLLED PRODUCTS, INC.</b>                                                                                                                                                                     | <b>D</b> Employer Identification Number (EIN)<br><br><b>27-1539745</b>                                                                                                                                                                                                       |                                                                                           |

| Part I Asset and Liability Statement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                 |                       |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>1</b> Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. <b>Round off amounts to the nearest dollar.</b> MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions. |                 |                       |                 |
| Assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 | (a) Beginning of Year | (b) End of Year |
| <b>a</b> Total noninterest-bearing cash .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1a</b>       | 7900000               | 250000          |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                       |                 |
| <b>(1)</b> Employer contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1b(1)</b>    | 4811795               | 2571000         |
| <b>(2)</b> Participant contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1b(2)</b>    |                       |                 |
| <b>(3)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>1b(3)</b>    | 5292004               | 0               |
| <b>c</b> General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(1)</b>    | 8556545               | 220898          |
| <b>(2)</b> U.S. Government securities.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(2)</b>    |                       |                 |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(A)</b> |                       |                 |
| <b>(B)</b> All other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1c(3)(B)</b> |                       |                 |
| <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(4)(A)</b> |                       |                 |
| <b>(B)</b> Common .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(4)(B)</b> |                       |                 |
| <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(5)</b>    | 332246                | 4316707         |
| <b>(6)</b> Real estate (other than employer real property) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(6)</b>    |                       |                 |
| <b>(7)</b> Loans (other than to participants) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(7)</b>    |                       |                 |
| <b>(8)</b> Participant loans .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>1c(8)</b>    |                       |                 |
| <b>(9)</b> Value of interest in common/collective trusts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1c(9)</b>    | 0                     | 18066077        |
| <b>(10)</b> Value of interest in pooled separate accounts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>1c(10)</b>   |                       |                 |
| <b>(11)</b> Value of interest in master trust investment accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(11)</b>   |                       |                 |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(12)</b>   | 0                     | 18367948        |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(13)</b>   | 46899754              | 38774854        |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(14)</b>   |                       |                 |
| <b>(15)</b> Other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(15)</b>   |                       |                 |

| <b>1d</b> Employer-related investments:                              |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 73792344              | 82567484        |

**Liabilities**

|                                                                           |           |   |   |
|---------------------------------------------------------------------------|-----------|---|---|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |   |   |
| <b>h</b> Operating payables .....                                         | <b>1h</b> |   |   |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |   |   |
| <b>j</b> Other liabilities.....                                           | <b>1j</b> |   |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 0 | 0 |

**Net Assets**

|                                                           |           |          |          |
|-----------------------------------------------------------|-----------|----------|----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 73792344 | 82567484 |
|-----------------------------------------------------------|-----------|----------|----------|

**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

**Income**

|                                                                                                            |                 | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>a Contributions:</b>                                                                                    |                 |            |           |
| (1) Received or receivable in cash from: <b>(A)</b> Employers.....                                         | <b>2a(1)(A)</b> | 7192074    |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> |            |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> |            |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 7192074   |
| <b>b Earnings on investments:</b>                                                                          |                 |            |           |
| (1) Interest:                                                                                              |                 |            |           |
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....       | <b>2b(1)(A)</b> | 237        |           |
| <b>(B)</b> U.S. Government securities .....                                                                | <b>2b(1)(B)</b> |            |           |
| <b>(C)</b> Corporate debt instruments .....                                                                | <b>2b(1)(C)</b> |            |           |
| <b>(D)</b> Loans (other than to participants) .....                                                        | <b>2b(1)(D)</b> |            |           |
| <b>(E)</b> Participant loans .....                                                                         | <b>2b(1)(E)</b> |            |           |
| <b>(F)</b> Other .....                                                                                     | <b>2b(1)(F)</b> |            |           |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                              | <b>2b(1)(G)</b> |            | 237       |
| (2) Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> |            |           |
| <b>(B)</b> Common stock .....                                                                              | <b>2b(2)(B)</b> |            |           |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                                  | <b>2b(2)(C)</b> | 818598     |           |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....                  | <b>2b(2)(D)</b> |            | 818598    |
| (3) Rents .....                                                                                            | <b>2b(3)</b>    |            |           |
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |            |           |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                                              | <b>2b(4)(B)</b> |            |           |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....                  | <b>2b(4)(C)</b> |            | 0         |
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |            |           |
| <b>(B)</b> Other .....                                                                                     | <b>2b(5)(B)</b> | 784460     |           |
| <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....         | <b>2b(5)(C)</b> |            | 784460    |

|                                                                                                |        | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts .....                             | 2b(6)  |            | 520043    |
| (7) Net investment gain (loss) from pooled separate accounts .....                             | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                     | 2b(8)  |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities .....                           | 2b(9)  |            | 1933753   |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)..... | 2b(10) |            | 3839456   |
| c Other income.....                                                                            | 2c     |            |           |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 15088621  |

**Expenses**

|                                                                                     |       |         |         |
|-------------------------------------------------------------------------------------|-------|---------|---------|
| e Benefit payment and payments to provide benefits:                                 |       |         |         |
| (1) Directly to participants or beneficiaries, including direct rollovers .....     | 2e(1) | 5525112 |         |
| (2) To insurance carriers for the provision of benefits .....                       | 2e(2) |         |         |
| (3) Other .....                                                                     | 2e(3) |         |         |
| (4) Total benefit payments. Add lines 2e(1) through (3).....                        | 2e(4) |         | 5525112 |
| f Corrective distributions (see instructions) .....                                 | 2f    |         |         |
| g Certain deemed distributions of participant loans (see instructions).....         | 2g    |         |         |
| h Interest expense.....                                                             | 2h    |         |         |
| i Administrative expenses: (1) Professional fees .....                              | 2i(1) | 177362  |         |
| (2) Contract administrator fees .....                                               | 2i(2) | 163269  |         |
| (3) Investment advisory and management fees .....                                   | 2i(3) | 69023   |         |
| (4) Other .....                                                                     | 2i(4) | 378715  |         |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                 | 2i(5) |         | 788369  |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | 2j    |         | 6313481 |

**Net Income and Reconciliation**

|                                                         |       |  |         |
|---------------------------------------------------------|-------|--|---------|
| k Net income (loss). Subtract line 2j from line 2d..... | 2k    |  | 8775140 |
| l Transfers of assets:                                  |       |  |         |
| (1) To this plan.....                                   | 2l(1) |  |         |
| (2) From this plan .....                                | 2l(2) |  |         |

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ERNST & YOUNG

(2) EIN: 34-6565596

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

**a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

**b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

|    | Yes | No | Amount |
|----|-----|----|--------|
| 4a |     | X  |        |
| 4b |     | X  |        |

|                                                                                                                                                                                                                              | Yes | No | Amount   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|----------|
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                         |     | X  |          |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....                               |     | X  |          |
| <b>e</b> Was this plan covered by a fidelity bond?.....                                                                                                                                                                      | X   |    | 10000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                      |     | X  |          |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                   |     | X  |          |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                         |     | X  |          |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....                                                                | X   |    |          |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)..... | X   |    |          |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....                                                           |     | X  |          |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                           |     | X  |          |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....                                                                                                  |     | X  |          |
| <b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. ....                                     |     |    |          |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?  
 If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

**5b(1)** Name of plan(s)

| 5b(2) EIN(s) | 5b(3) PN(s) |
|--------------|-------------|
|              |             |
|              |             |
|              |             |
|              |             |
|              |             |

## Part V Trust Information (optional)

**6a** Name of trust

**6b** Trust's EIN

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            |                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2012</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

|                                                                                                      |                                                                    |
|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>ALERIS LEWISPORT HOURLY EMPLOYEES PENSION PLAN</u>                       | <b>B</b> Three-digit plan number (PN) ▶<br><u>001</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>ALERIS ROLLED PRODUCTS, INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>27-1539745</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

All references to distributions relate only to payments of benefits during the plan year.

|                                                                                                                                                                                                                                                                    |          |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                              | <b>1</b> | <u>0</u> |
| <b>2</b> Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):<br><br>EIN(s): <u>41-6257133</u> |          |          |
| <b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>                                                                                                                                                                                            |          |          |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                    | <b>3</b> | <u>0</u> |

|                |                                                                                                                                                                              |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b> | <b>Funding Information</b> (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part) |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                                                           |                              |                             |                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....                                                                                                                                                                                                                                                       | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input checked="" type="checkbox"/> N/A |
| <b>If the plan is a defined benefit plan, go to line 8.</b>                                                                                                                                                                                                                                                                                                               |                              |                             |                                         |
| <b>5</b> If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. <b>Date:</b> Month _____ Day _____ Year _____<br><b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b> |                              |                             |                                         |
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....                                                                                                                                                                                                                            | <b>6a</b>                    |                             |                                         |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....                                                                                                                                                                                                                                                                                | <b>6b</b>                    |                             |                                         |
| <b>c</b> Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....                                                                                                                                                                                                                           | <b>6c</b>                    |                             |                                         |
| <b>If you completed line 6c, skip lines 8 and 9.</b>                                                                                                                                                                                                                                                                                                                      |                              |                             |                                         |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....                                                                                                                                                                                                                                                                        | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A            |
| <b>8</b> If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....                                                                                                | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input checked="" type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                            |                                   |                                   |                               |                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|----------------------------------------|
| <b>9</b> If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input checked="" type="checkbox"/> No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|----------------------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                             |                              |                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</b> If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                              | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</b> If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers ..... | <b>16b</b> |  |

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... ☐

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 51% Investment-Grade Debt: 25% High-Yield Debt: 0% Real Estate: 11% Other: 13%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

FINANCIAL STATEMENTS AND  
SUPPLEMENTAL SCHEDULES

Aleris Lewisport Hourly Employees Pension Plan  
As of and for the Years Ended  
December 31, 2012 and 2011  
With Report of Independent Auditors

## **Aleris Lewisport Hourly Employees Pension Plan**

### **Index to Financial Statements and Supplemental Schedules**

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## Report of Independent Auditors

To the Benefits Committee of the  
Aleris Lewisport Hourly Employees Pension Plan

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Aleris Lewisport Hourly Employees Pension Plan, which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### ***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified investment information described in Note 5, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entity that certified the investment information meets the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of December 31, 2012 and 2011, and for the years then ended, stating that the investment information provided to the plan administrator is complete and accurate.

### ***Disclaimer of Opinion on Financial Statements***

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

***Disclaimer of Opinion on Supplemental Schedules***

The accompanying supplemental schedules of assets (held at end of year) as of December 31, 2012, and reportable transactions for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

**Report on Compliance of Form and Content with Department of Labor's Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the certified investment information, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

*Ernst + Young LLP*

October 8, 2013

## Aleris Lewisport Hourly Employees Pension Plan

### Statements of Net Assets Available for Benefits

|                                                                                   | December 31,  |               |
|-----------------------------------------------------------------------------------|---------------|---------------|
|                                                                                   | 2012          | 2011          |
| <b>Assets</b>                                                                     |               |               |
| Cash (non-interest-bearing)                                                       | \$ 250,000    | \$ 7,900,000  |
| Investments, at fair value as determined by quoted market prices:                 |               |               |
| Interest-bearing cash                                                             | 220,898       | 8,556,545     |
| Mutual funds                                                                      | 38,774,854    | 46,899,754    |
| Investments, at estimated fair value:                                             |               |               |
| Commingled funds                                                                  | 36,434,025    | —             |
| Limited partnership interests                                                     | 4,316,707     | 332,246       |
| Total investments                                                                 | 79,746,484    | 55,788,545    |
| Dividends receivable                                                              | —             | 28,219        |
| Employer contributions receivable                                                 | 2,571,000     | 4,811,795     |
| Capital withdrawal receivable from the<br>Mesirow Institutional Equity Fund, L.P. | —             | 5,263,785     |
| Total assets                                                                      | 82,567,484    | 73,792,344    |
| Net assets available for benefits                                                 | \$ 82,567,484 | \$ 73,792,344 |

*The accompanying notes are an integral part of these financial statements.*

**Aleris Lewisport Hourly Employees Pension Plan**  
**Statements of Changes in Net Assets Available for Benefits**

|                                               | <b>For the Year Ended December 31,</b> |                      |
|-----------------------------------------------|----------------------------------------|----------------------|
|                                               | <b>2012</b>                            | <b>2011</b>          |
| <b>Investment income:</b>                     |                                        |                      |
| Net appreciation in fair value of investments | \$ 7,077,712                           | \$ 416,437           |
| Interest and dividends                        | 818,835                                | 388,684              |
|                                               | <u>7,896,547</u>                       | <u>805,121</u>       |
| <b>Employer contributions</b>                 | 7,192,074                              | 10,787,099           |
| <b>Deductions:</b>                            |                                        |                      |
| Benefits paid to participants                 | 5,525,112                              | 5,228,820            |
| Administrative expenses                       | 788,369                                | 507,469              |
|                                               | <u>6,313,481</u>                       | <u>5,736,289</u>     |
| Net increase                                  | 8,775,140                              | 5,855,931            |
| Net assets available for benefits:            |                                        |                      |
| Beginning of year                             | 73,792,344                             | 67,936,413           |
| End of year                                   | <u>\$ 82,567,484</u>                   | <u>\$ 73,792,344</u> |

*The accompanying notes are an integral part of these financial statements.*

## **Aleris Lewisport Hourly Employees Pension Plan**

### **Notes to Financial Statements**

**December 31, 2012 and 2011**

#### **1. Description of the Plan**

The following description of the Aleris Lewisport Hourly Employees Pension Plan (the “Plan”) is provided for general information only. Complete information regarding the Plan’s provisions may be found in the plan document, which is available to all participants upon request.

##### **General**

The Plan is a noncontributory defined benefit plan covering all collectively bargained employees of Aleris Rolled Products, Inc. (the “Plan Sponsor”), a subsidiary of Aleris International, Inc. (the “Company”), at the aluminum plant in Lewisport, Kentucky. The Plan provides for retirement income, disability, and preretirement death benefits and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

Information about the Plan, the vesting and benefit provisions and the Pension Benefit Guaranty Corporation’s (“PBGC”) benefit guarantee is contained in the Plan’s *Summary Plan Description*. Copies of the *Summary Plan Description* are available from the Company’s employee benefits department.

##### **Plan Administration**

Overall responsibility for administering the Plan rests with the Plan Sponsor’s Benefits Committee, which is appointed by the Board of Directors of the Company. Delaware Charter Guarantee and Trust Company d/b/a Principal Trust Company was the trustee of the Plan and was responsible for the management and control of the Plan’s assets through December 31, 2011. Additionally, effective December 1, 2011, the Plan Sponsor’s Benefits Committee appointed Wells Fargo Bank, N.A. as the new trustee of the Plan. Wells Fargo Bank, N.A. is now responsible for management and control of the Plan’s assets. Delaware Charter Guarantee and Trust Company d/b/a Principal Trust Company and Wells Fargo Bank, N.A. are collectively referred to as the “Trustees.”

##### **Eligibility**

The Plan provides benefits to collectively bargained employees of Aleris Rolled Products, Inc., a subsidiary of Aleris International, Inc., who are covered under the United Steelworkers of America collective bargaining agreement. There is no minimum service required.

##### **Funding Policy**

The Company has agreed to voluntarily contribute such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to plan participants. The Company’s intention is to make contributions in amounts sufficient to fund the Plan’s normal costs on a current basis and any increases in the past service liability due to subsequent amendments to the Plan. The Plan has met the minimum funding requirements of ERISA for 2012 and 2011.

##### **Benefit and Vesting Provisions**

The Plan generally provides for normal retirement at age 65 or age 62 with ten years of participation in the Plan. The Plan also allows for early retirement at the age of 60 with ten years of service. Employees are 100% vested after five years of service. On December 16, 2011, the Plan Sponsor increased the benefit factors for retirement commencing on or after January 1, 2014, and extended the Social Security Supplemental retirement benefit for retirements commencing through July 31, 2014, which have been reflected in the actuarial present value of accumulated plan benefits at December 31, 2011 (see Note 3).

## **Aleris Lewisport Hourly Employees Pension Plan**

### **Notes to Financial Statements (continued)**

The Plan provides for payments of retirement, disability and death benefits to participants or their beneficiaries under various payment options, including a monthly retirement benefit, straight-life annuity and single-sum payment. The determination of benefit payments depends primarily on the years of service as outlined in the plan document.

#### **Plan Termination**

The Company reserves the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. Upon a termination, the net assets of the Plan will be allocated for payment to the participants in an order of priority as prescribed by ERISA and its related regulations and the plan document.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated plan benefits and may also depend on the financial condition of the Company and the level of benefits guaranteed by the PBGC as well as the priority of those benefits. Some benefits may be fully or partially provided for by the then-existing net assets of the Plan and the PBGC guarantee, while other benefits may not be provided for at all.

## **2. Summary of Significant Accounting Policies**

#### **Basis of Accounting**

The accompanying financial statements of the Plan have been prepared using the accrual method. Subsequent events for the Plan have been evaluated through October 8, 2013, which represents the date the financial statements were available to be issued.

#### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes and supplemental schedules. Actual results could differ from those estimates.

#### **Risks and Uncertainties**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market volatility and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the financial statements.

#### **Investment Valuation and Income Recognition**

The Plan's investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). See Note 4 for further discussion and disclosures related to fair value measurements.

## **Aleris Lewisport Hourly Employees Pension Plan**

### **Notes to Financial Statements (continued)**

In conformity with Accounting Standards Codification (“ASC”) 820, *Fair Value Measurement*, assets and liabilities measured at fair value are categorized into the following fair value hierarchy:

Level 1 – Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market that the Plan has the ability to access at the measurement date.

Level 2 – Fair value is based on quoted prices in markets that are not active, quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Fair value is based on prices or valuation techniques that require inputs that are both significant to the fair value measurements and unobservable. These inputs reflect management’s judgment about the assumptions that a market participant would use in pricing the investment and are based on the best available information, some of which may be internally developed.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan’s gains and losses on investments bought and sold as well as held during the year.

#### **Benefit Payments**

Benefits are recorded when paid.

#### **New Accounting Pronouncements**

In May 2011, the Financial Accounting Standards Board issued Accounting Standards Update 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs* (“ASU 2011-04”), which modifies accounting guidance and expands existing disclosure requirements for fair value measurements. ASU 2011-04 clarifies how fair values should be measured for instruments classified in stockholders’ equity and under what circumstances premiums and discounts should be applied in fair value measurements. In addition, ASU 2011-04 also permits entities to measure fair value on a net basis for financial instruments that are managed based on net exposure to market risks and/or counterparty credit risk. ASU 2011-04 requires new disclosures for financial instruments classified as Level 3, including: (1) quantitative information about unobservable inputs used in measuring fair value (2) qualitative discussion of the sensitivity of fair value measurements to changes in unobservable inputs and (3) a description of valuation processes used. ASU 2011-04 also requires disclosure of fair value levels for financial instruments that are not recorded at fair value, but for which fair value is required to be disclosed. The Plan adopted ASU 2011-04 with prospective application, which resulted in additional fair value disclosure only. The measurement clarifications of ASU 2011-04 did not affect the statements of net assets available for benefits or the statements of changes in net assets available for benefits.

#### **Administrative Expenses**

Administrative expenses are paid by the Plan.

## **Aleris Lewisport Hourly Employees Pension Plan**

### **Notes to Financial Statements (continued)**

#### **Actuarial Present Value of Accumulated Plan Benefits**

Accumulated plan benefits (see Note 3) represent the actuarial present value of estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to services rendered by employees through the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries (b) beneficiaries of deceased employees and (c) present employees or their beneficiaries. Benefits for retired or terminated employees or their beneficiaries and active employees are based on the employees' highest job grade worked during the last ten years of credited service and the total number of years of credited service. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included, only to the extent they are deemed attributable to employee services rendered through the valuation date.

#### **3. Actuarial Present Value of Accumulated Plan Benefits**

The Plan's actuary estimated the actuarial present value of accumulated plan benefits, which is the amount that resulted from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits at December 31, 2011, is as follows:

Actuarial present value of accumulated plan benefits:

|                                                            |                             |
|------------------------------------------------------------|-----------------------------|
| Vested benefits:                                           |                             |
| Participants currently receiving benefits                  | \$ 48,085,136               |
| Other participants                                         | 28,110,152                  |
| Total vested benefits                                      | <u>76,195,288</u>           |
| Non-vested benefits                                        | 2,177,060                   |
| Total actuarial present value of accumulated plan benefits | <u><u>\$ 78,372,348</u></u> |

The changes in accumulated plan benefits for the year ended December 31, 2011, are as follows:

|                                                                           |                             |
|---------------------------------------------------------------------------|-----------------------------|
| Actuarial present value of accumulated plan benefits at beginning of year | \$ 75,602,718               |
| Increase (decrease) during the year attributed to:                        |                             |
| Benefits accumulated and gains/losses                                     | 1,994,890                   |
| Increase for interest due to the decrease in the discount period          | 6,003,560                   |
| Benefits paid                                                             | <u>(5,228,820)</u>          |
| Net increase                                                              | <u>2,769,630</u>            |
| Actuarial present value of accumulated plan benefits at end of year       | <u><u>\$ 78,372,348</u></u> |

## Aleris Lewisport Hourly Employees Pension Plan

### Notes to Financial Statements (continued)

Significant assumptions underlying the actuarial valuation include:

|                                       |                                                                           |
|---------------------------------------|---------------------------------------------------------------------------|
| Assumed rate of return on investments | 8.25%                                                                     |
| Mortality basis                       | The RP-2000 projected to 2018, blue collar, combined, sex distinct tables |
| Normal retirement                     | Age 65 or age 62 and ten years of service                                 |

The actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The actuary estimated the accumulated plan benefits as of January 1, 2012. There were no changes in the Plan that would have significantly changed the valuation had it been performed as of December 31, 2011.

#### 4. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy in ASC 820 are described in Note 2.

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measure in its entirety. Following is a description of the valuation techniques and inputs used for each major class of assets measured at fair value.

**Interest-bearing cash:** Valued at carrying value (which approximates fair value due to the short-term nature of the asset).

**Mutual funds:** Valued at the net asset value ("NAV") of shares held by the Plan at year-end based on quoted market prices.

**Commingled funds:** Valued at the NAV of units held by the Plan, which was determined by dividing the fair value of the fund's net assets by its units outstanding at the valuation date.

**Limited partnership interests:** Valued at estimated NAV at the valuation date.

## Aleris Lewisport Hourly Employees Pension Plan

### Notes to Financial Statements (continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets carried at fair value as of December 31, 2012 and 2011:

| <b>Assets at Fair Value as of December 31, 2012</b> |                      |                      |                   |                      |
|-----------------------------------------------------|----------------------|----------------------|-------------------|----------------------|
|                                                     | <b>Level 1</b>       | <b>Level 2</b>       | <b>Level 3</b>    | <b>Total</b>         |
| Interest-bearing cash                               | \$ 220,898           | \$ -                 | \$ -              | \$ 220,898           |
| Mutual funds:                                       |                      |                      |                   |                      |
| Small/Mid U.S. equity                               | 8,111,033            | -                    | -                 | 8,111,033            |
| Large U.S. equity                                   | 11,132,598           | -                    | -                 | 11,132,598           |
| Fixed income                                        | 9,910,378            | -                    | -                 | 9,910,378            |
| International equity                                | 9,620,845            | -                    | -                 | 9,620,845            |
| Commingled funds:                                   |                      |                      |                   |                      |
| Hedged equity (a)                                   | -                    | 10,125,351           | -                 | 10,125,351           |
| Core real estate (b)                                | -                    | 8,520,043            | -                 | 8,520,043            |
| International large cap equity (c)                  | -                    | 8,242,597            | -                 | 8,242,597            |
| Core fixed income (d)                               | -                    | 9,546,034            | -                 | 9,546,034            |
| Limited partnership interests:                      |                      |                      |                   |                      |
| Small cap value equity (e)                          |                      | 3,965,099            |                   | 3,965,099            |
| Venture capital (f)                                 | -                    | -                    | 351,608           | 351,608              |
| Total assets at fair value                          | <u>\$ 38,995,752</u> | <u>\$ 40,399,124</u> | <u>\$ 351,608</u> | <u>\$ 79,746,484</u> |

| <b>Assets at Fair Value as of December 31, 2011</b> |                      |                |                   |                      |
|-----------------------------------------------------|----------------------|----------------|-------------------|----------------------|
|                                                     | <b>Level 1</b>       | <b>Level 2</b> | <b>Level 3</b>    | <b>Total</b>         |
| Interest-bearing cash                               | \$ 8,556,545         | \$ -           | \$ -              | \$ 8,556,545         |
| Mutual funds:                                       |                      |                |                   |                      |
| Small/Mid U.S. equity                               | 6,378,037            | -              | -                 | 6,378,037            |
| Large U.S. equity                                   | 9,516,432            | -              | -                 | 9,516,432            |
| Fixed income                                        | 24,585,350           | -              | -                 | 24,585,350           |
| International equity                                | 6,419,935            | -              | -                 | 6,419,935            |
| Limited partnership interest:                       |                      |                |                   |                      |
| Venture capital (f)                                 | -                    | -              | 332,246           | 332,246              |
| Total assets at fair value                          | <u>\$ 55,456,299</u> | <u>\$ -</u>    | <u>\$ 332,246</u> | <u>\$ 55,788,545</u> |

## Aleris Lewisport Hourly Employees Pension Plan

### Notes to Financial Statements (continued)

The Plan has utilized the practical expedient to measure the fair value of the commingled funds and limited partnership interests at December 31, 2012 within the scope of Accounting Standards Update 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* based on the investment's NAV. A description of the significant investment strategies is as follows:

- a) **Hedged equity:** Hedged equity fund comprised primarily of shares or units in other investment companies or trusts. The fund invests the assets of its portfolios in other private investment funds. The investment objective of the fund is to generate absolute returns while maintaining a moderate level of risk. Its portfolio assets are allocated to the other private investment funds targeting absolute returns throughout the global financial markets with an emphasis on developed markets. In addition to its investments in other private investment funds, the fund may also make short-term investments for liquidity or defensive purposes, including but not limited to, interest-earning money market accounts, government obligations, commercial paper and short-term certificates of deposit. The fund may also maintain positions in a variety of derivative and non-derivative financial instruments in order to manage the various types of risks that are associated with the financial instruments and markets in which it invests. The fund's investments can only be redeemed on the first business day of each calendar quarter or each calendar month, but only after such redemption request has been made at least 45 days prior to the last business day of each quarter. This investment has been categorized within Level 2 of the fair value hierarchy as the Plan has the ability to redeem the investment at the NAV (or its equivalent) in the near term.
- b) **Core real estate:** Core real estate fund composed primarily of real estate investments owned directly or through partnership interests and mortgage loans on income-producing real estate assets. The investment objective of the fund is to provide a high, stable income stream with the potential for moderate capital appreciation over the long term. The core real estate fund invests in high-quality stabilized office, retail, residential and industrial assets in primary markets throughout the United States. Management of the core real estate fund has the ability to rebalance and refine the composition of the overall portfolio and remove assets of lesser quality and/or growth prospects, and where appropriate, trade up for asset quality and geographic location. As a result of how the fund is managed and priced, an extended notice period of six months is required for redemption requests. This investment has been categorized within Level 2 of the fair value hierarchy as the Plan has the ability to redeem the investment at the NAV (or its equivalent) in the near term.
- c) **International large cap equity:** International large cap equity fund invested in equity securities. The investment objective of the fund is to achieve long-term growth principally by investing in a diversified portfolio of equity securities of companies ordinarily located in any country other than the United States and Canada. Redemption requests must be made at least six business days before the end of the month. This investment has been categorized within Level 2 of the fair value hierarchy as the Plan has the ability to redeem the investment at the NAV (or its equivalent) on the measurement date.
- d) **Core fixed income:** Core fixed income fund invested primarily in fixed income securities. The investment objective is to seek total return consistent with the preservation of capital by investing in U.S. dollar-denominated fixed income securities, particularly U.S. government, agency, corporate and mortgage-backed issues. Investments may also include highly liquid AAA-rated mortgage paper, investment grade corporate and Yankee securities. This investment has been categorized within Level 2 of the fair value hierarchy as the Plan has the ability to redeem the investment at the NAV (or its equivalent) on the measurement date.

## Aleris Lewisport Hourly Employees Pension Plan

### Notes to Financial Statements (continued)

- e) **Small cap value equity:** Limited partnership invested primarily in equity securities of domestic and international small capitalization companies. Redemptions may be made on the last day of any month, subject to approval and certain other limitations. This investment has been categorized within Level 2 of the fair value hierarchy as the Plan has the ability to redeem the investment at the NAV (or its equivalent) at the reporting date.
- f) **Venture capital:** The Chrysalis Ventures II, L.P. fund (the “Chrysalis fund”) was formed on July 30, 2011 for the purpose of making venture capital investments in emerging high-growth companies, primarily in the Southeast and Midwestern United States. The general partner is Chrysalis Partners II, LLC and the fund’s investments are managed by Chrysalis Ventures, LLC (“Investment Manager”). The investment policy presumes that investments are acquired with the intent that they are held until maturity. As such, withdrawals or redemptions of any amount are generally not permitted. No limited partner, including the Plan, is liable for obligations of the Chrysalis fund in excess of its capital contribution. The fair value measurements for the Chrysalis fund’s underlying investments are based on one or more valuation techniques (e.g., the market approach, the income approach or the cost approach) for which sufficient and reliable data is available to the limited partnership’s general partner and Investment Manager who have common control over the Chrysalis fund’s investment strategies, decisions and valuation. The inputs used by the general partner and investment manager in estimating the value of the investments include the original transaction price, recent transactions in the same or similar instruments, completed or pending third-party transactions in the underlying investment or comparable issuers, recapitalizations, historical and projected financial information obtained from the underlying portfolio companies, other transactions across the capital structure, offerings in the equity or debt capital markets, changes in financial ratios or cash flows and other factors deemed relevant. This investment has been categorized within Level 3 of the fair value hierarchy due to the redemption restrictions which prohibit the Plan from redeeming the investment at the NAV (or its equivalent) in the near term.

There were no unfunded commitments at December 31, 2012 for any of the commingled funds or limited partnership interests.

The table below sets forth a summary of changes in the fair value of the Plan’s Level 3 assets for the years ended December 31, 2012 and 2011:

|                                                                                                                                         | <b>Year Ended December 31,</b>                                |                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|------------------------------------------|
|                                                                                                                                         | <b>2012</b>                                                   | <b>2011</b>                              |
|                                                                                                                                         | <b>Limited Partnership<br/>Interest – Venture<br/>Capital</b> | <b>Limited<br/>Partnership Interests</b> |
| Balance, beginning of year                                                                                                              | \$ 332,246                                                    | \$ 5,804,983                             |
| Net appreciation (depreciation) in fair value                                                                                           | 19,362                                                        | (208,952)                                |
| Sales                                                                                                                                   | -                                                             | (5,263,785)                              |
| Balance, end of year                                                                                                                    | <u>\$ 351,608</u>                                             | <u>\$ 332,246</u>                        |
| Total gains included in changes in assets attributable to the change in unrealized gains relating to investments still held at year end | \$ 19,362                                                     | \$ 22,116                                |

## Aleris Lewisport Hourly Employees Pension Plan

### Notes to Financial Statements (continued)

The Plan Sponsor's Benefits Committee is responsible for determining the Plan's valuation policies and analyzing information provided by the investment Trustees and funds' general managers or partners that is used to determine the fair value of the Plan's investments. The Plan Sponsor's Benefits Committee is comprised of various members of the Plan Sponsor's management (including the Plan Sponsor's Chief Financial Officer, General Counsel and Vice President of Human Resources) and reports to the Plan Sponsor's Board of Directors. For instruments categorized within Level 3 of the fair value hierarchy the Plan Sponsor's Benefits Committee reviews analyses provided by management which include a recalculation of the estimated NAV, a review of the investment's audited financial statements and benchmark indicators for potential valuation adjustments. The Plan Sponsor also has established policies and procedures that relate to the approval of all new Level 3 assets that the Plan is permitted to invest.

#### 5. Investments

Other than the fair values of the investments in the Northern Trust interest-bearing cash, the commingled funds and limited partnership interests and the related interest and net appreciation or depreciation, all investment information for the Plan disclosed in the accompanying financial statements and supplemental schedules including investments held at December 31, 2012 and 2011, and net appreciation in fair value of investments and interest and dividends for the years ended December 31, 2012 and 2011, was obtained or derived from information provided to the plan administrator and certified as complete and accurate by the Trustees.

The following investment information was not certified by the Trustees:

|                                        | <b>December 31,</b> |              |
|----------------------------------------|---------------------|--------------|
|                                        | <b>2012</b>         | <b>2011</b>  |
| Northern Trust Interest-Bearing Cash   | \$ -                | \$ 6,800,218 |
| ABS Alpha Ltd. Global Equity Portfolio | 10,125,351          | -            |
| C.S. McKee Core Fixed Income Fund      | 9,546,034           | -            |
| Strategic Property Trust Fund of JPMC  | 8,520,043           | -            |
| Sanderson Intl. Value Group Trust Fund | 8,242,597           | -            |
| Frontier Small Cap Value Fund, L.P.    | 3,965,099           | -            |
| Chrysalis Ventures II, L.P.            | 351,608             | 332,246      |

|                                                   | <b>For the Year Ended<br/>December 31,</b> |             |
|---------------------------------------------------|--------------------------------------------|-------------|
|                                                   | <b>2012</b>                                | <b>2011</b> |
| Net appreciation (depreciation) in fair value of: |                                            |             |
| ABS Alpha Ltd. Global Equity Portfolio            | \$ 422,351                                 | \$ -        |
| C.S. McKee Core Fixed Income Fund                 | 190,437                                    | -           |
| Strategic Property Trust Fund of JPMC             | 520,043                                    | -           |
| Sanderson Intl. Value Group Trust Fund            | 1,511,402                                  | -           |
| Frontier Small Cap Value Fund, L.P.               | 765,098                                    | -           |
| Chrysalis Ventures II, L.P.                       | 19,362                                     | 22,116      |
| Mesirow Institutional Equity Fund, L.P.           | -                                          | (231,068)   |

Interest income from:

|                                      |     |     |
|--------------------------------------|-----|-----|
| Northern Trust Interest-Bearing Cash | 237 | 218 |
|--------------------------------------|-----|-----|

## Aleris Lewisport Hourly Employees Pension Plan

### Notes to Financial Statements (continued)

The fair value of individual investments representing 5% or more of the Plan's net assets available for benefits as of December 31, 2012 and 2011, is as follows:

|                                              | <b>December 31,</b> |              |
|----------------------------------------------|---------------------|--------------|
|                                              | <b>2012</b>         | <b>2011</b>  |
| Vanguard Institutional Index Fund            | \$ 11,132,598       | \$ 9,516,432 |
| ABS Alpha Ltd. Global Equity Portfolio       | 10,125,351          | -            |
| Vanguard Total Bond Market Index Fund        | 9,910,378           | 16,058,394   |
| C.S. McKee Core Fixed Income Fund            | 9,546,034           | -            |
| Strategic Property Trust Fund of JPMC        | 8,520,043           | -            |
| Sanderson Intl. Value Group Trust Fund       | 8,242,597           | -            |
| Wells Fargo Adv Emerging Markets Equity Fund | 5,215,691           | 3,188,922 *  |
| William Blair Mid Cap Growth Fund            | 4,438,003           | 3,197,306 *  |
| Templeton Instl Foreign Small Company Fund   | 4,405,154           | 3,231,013 *  |
| Northern Trust Interest-Bearing Cash         | -                   | 6,800,218    |
| I Shares Barclays Aggregate Bond Fund        | -                   | 8,526,956    |

\* Investment is not 5% or more of the Plan's net assets available for benefits; shown for comparative purposes.

During the years ended December 31, 2012 and 2011, the Plan's investments, including investments bought, sold, and held during the year, appreciated (depreciated) in fair value as follows:

|                               | <b>For the Year Ended<br/>December 31,</b> |                   |
|-------------------------------|--------------------------------------------|-------------------|
|                               | <b>2012</b>                                | <b>2011</b>       |
| Mutual funds                  | \$ 3,649,019                               | \$ 250,513        |
| Commingled funds              | 2,644,233                                  | -                 |
| Pooled separate accounts      | -                                          | 374,876           |
| Limited partnership interests | 784,460                                    | (208,952)         |
|                               | <u>\$ 7,077,712</u>                        | <u>\$ 416,437</u> |

#### 6. Transactions with Parties in Interest

Fees paid during the year for services rendered by parties-in-interest were based on customary and reasonable rates for such services. Certain of the Plan's investments are managed by Wells Fargo Bank, N.A. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transactions rules under ERISA.

## **Aleris Lewisport Hourly Employees Pension Plan**

### **Notes to Financial Statements (continued)**

#### **7. Tax Status**

The Plan has received a determination letter from the Internal Revenue Service (the “IRS”) dated January 24, 2012, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the “Code”) and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2012, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2009.

**Aleris Lewisport Hourly Employees Pension Plan**

**EIN # 27-1539745      Plan # 001**

**Schedule H, Line 4i – Schedule of Assets (Held at End of Year)**

**As of December 31, 2012**

| <b>Identity of Issue, Borrower,<br/>Lessor, or Similar Party</b> | <b>Description of Investment,<br/>Including Maturity Date,<br/>Rate of Interest, Collateral,<br/>Par, or Maturity Value</b> | <b>Cost</b>                 | <b>Current<br/>Value</b>    |
|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Interest-Bearing Cash</b>                                     |                                                                                                                             |                             |                             |
| * Wells Fargo Bank Collateralized Instl Bank Deposit             | 220,898 shares                                                                                                              | \$ 220,898                  | \$ 220,898                  |
| <b>Mutual Funds</b>                                              |                                                                                                                             |                             |                             |
| Aston Tamro Small Cap Fund                                       | 185,976 shares                                                                                                              | 3,789,667                   | 3,673,030                   |
| Templeton Instl Foreign Small Company Fund                       | 240,587 shares                                                                                                              | 3,746,626                   | 4,405,154                   |
| Vanguard Institutional Index Fund                                | 85,294 shares                                                                                                               | 10,034,971                  | 11,132,598                  |
| Vanguard Total Bond Market Index Fund                            | 893,632 shares                                                                                                              | 9,849,425                   | 9,910,378                   |
| * Wells Fargo Adv Emerging Markets Equity Fund                   | 230,783 shares                                                                                                              | 4,735,438                   | 5,215,691                   |
| William Blair Mid Cap Growth Fund                                | 343,765 shares                                                                                                              | 4,191,871                   | 4,438,003                   |
|                                                                  |                                                                                                                             | <u>36,347,998</u>           | <u>38,774,854</u>           |
| <b>Commingled Funds</b>                                          |                                                                                                                             |                             |                             |
| ABS Alpha Ltd. Global Equity Portfolio                           | 83,172 shares                                                                                                               | 9,703,000                   | 10,125,351                  |
| Sanderson Intl. Value Group Trust Fund                           | 376,358 shares                                                                                                              | 6,738,142                   | 8,242,597                   |
| Strategic Property Trust Fund of JPMC                            | 4,539 shares                                                                                                                | 8,000,000                   | 8,520,043                   |
| C.S. McKee Core Fixed Income Fund                                | 816,326 shares                                                                                                              | 9,355,824                   | 9,546,034                   |
|                                                                  |                                                                                                                             | <u>33,796,966</u>           | <u>36,434,025</u>           |
| <b>Limited Partnership Interests</b>                             |                                                                                                                             |                             |                             |
| Frontier Small Cap Value Fund, L.P.                              |                                                                                                                             | 3,200,000                   | 3,965,099                   |
| Chrysalis Ventures II, L.P.                                      |                                                                                                                             | 400,388                     | 351,608                     |
|                                                                  |                                                                                                                             | <u>3,600,388</u>            | <u>4,316,707</u>            |
|                                                                  |                                                                                                                             | <u><u>\$ 73,966,250</u></u> | <u><u>\$ 79,746,484</u></u> |

\* Denotes a party in interest to the Plan.

**Aleris Lewisport Hourly Employees Pension Plan**

**EIN # 27-1539745      Plan # 001**

**Schedule H, Line 4j – Schedule of Reportable Transactions**

**Year Ended December 31, 2012**

| <b>Identity of Party Involved/<br/>Description of Asset</b>                                | <b>Purchase<br/>Price</b> | <b>Selling<br/>Price</b> | <b>Cost of<br/>Asset</b> | <b>Current<br/>Value of<br/>Asset on<br/>Transaction<br/>Date</b> | <b>Net Gain<br/>(Loss)</b> |
|--------------------------------------------------------------------------------------------|---------------------------|--------------------------|--------------------------|-------------------------------------------------------------------|----------------------------|
| <b>Category 1 – Single transactions in excess of 5% of plan assets</b>                     |                           |                          |                          |                                                                   |                            |
| ABS Alpha Ltd. Global Equity Portfolio                                                     | \$ 4,700,000              |                          | \$ 4,700,000             | \$ 4,700,000                                                      |                            |
| ABS Alpha Ltd. Global Equity Portfolio                                                     | 5,003,000                 |                          | 5,003,000                | 5,003,000                                                         |                            |
| C.S. McKee Core Fixed Income Fund                                                          | 8,515,680                 |                          | 8,515,680                | 8,515,680                                                         |                            |
| Ishares Barclays Aggregate Bond Fund                                                       |                           | \$ 8,515,680             | 8,499,917                | 8,515,680                                                         | \$ 15,763                  |
| Strategic Property Trust Fund of JPMC                                                      | 8,000,000                 |                          | 8,000,000                | 8,000,000                                                         |                            |
| Sanderson Intl. Value Group Trust Fund                                                     | 6,800,218                 |                          | 6,800,218                | 6,800,218                                                         |                            |
| Vanguard Total Bond Market Index Fund                                                      |                           | 9,000,000                | 8,871,293                | 8,871,293                                                         | 128,707                    |
| Wells Fargo Bank Collateralized Instl Bank Deposit                                         | 5,003,000                 |                          | 5,003,000                | 5,003,000                                                         |                            |
| Wells Fargo Bank Collateralized Instl Bank Deposit                                         |                           | 5,003,000                | 5,003,000                | 5,003,000                                                         | –                          |
| Wells Fargo Bank Collateralized Instl Bank Deposit                                         | 9,000,000                 |                          | 9,000,000                | 9,000,000                                                         |                            |
| Wells Fargo Bank Collateralized Instl Bank Deposit                                         |                           | 8,000,000                | 8,000,000                | 8,000,000                                                         | –                          |
| <b>Category 3 – Series of transactions in excess of 5% of plan assets</b>                  |                           |                          |                          |                                                                   |                            |
| ABS Alpha Ltd. Global Equity Portfolio                                                     | 9,703,000                 |                          | 9,703,000                | 9,703,000                                                         |                            |
| C.S. McKee Core Fixed Income Fund                                                          | 9,600,837                 |                          | 9,600,837                | 9,600,837                                                         |                            |
| C.S. McKee Core Fixed Income Fund                                                          |                           | 250,000                  | 245,013                  | 250,000                                                           | 4,987                      |
| Ishares Barclays Aggregate Bond Fund                                                       |                           | 8,515,680                | 8,499,917                | 8,515,680                                                         | 15,763                     |
| Strategic Property Trust Fund of JPMC                                                      | 8,000,000                 |                          | 8,000,000                | 8,000,000                                                         |                            |
| Sanderson Intl. Value Group Trust Fund                                                     | 6,800,218                 |                          | 6,800,218                | 6,800,218                                                         |                            |
| Sanderson Intl. Value Group Trust Fund                                                     |                           | 69,024                   | 62,076                   | 69,024                                                            | 6,948                      |
| Vanguard Total Bond Market Index Fund                                                      | 2,720,718                 |                          | 2,720,718                | 2,720,718                                                         |                            |
| Vanguard Total Bond Market Index Fund                                                      |                           | 9,000,000                | 8,871,293                | 9,000,000                                                         | 128,707                    |
| Wells Fargo Bank Collateralized Instl Bank Deposit                                         | 23,710,732                |                          | 23,710,732               | 23,710,732                                                        |                            |
| Wells Fargo Bank Collateralized Instl Bank Deposit                                         |                           | 25,246,161               | 25,246,161               | 25,246,161                                                        | –                          |
| <b>Category 4 – Single transaction with the same person in excess of 5% of plan assets</b> |                           |                          |                          |                                                                   |                            |
| Ishares Barclays Aggregate Bond Fund                                                       |                           | 8,515,680                | 8,499,917                | 8,515,680                                                         | 15,763                     |
| ABS Alpha Ltd. Global Equity Portfolio                                                     | 4,700,000                 |                          | 4,700,000                | 4,700,000                                                         |                            |
| Sanderson Intl. Value Group Trust Fund                                                     | 6,800,218                 |                          | 6,800,218                | 6,800,218                                                         |                            |

There were no category 2 reportable transactions during 2012.

Columns for “Lease rental” and “Expense incurred with transaction” are not applicable.

**Schedule SB, line 19 — Discounted Employer Contributions**

| <b>Date</b>        | <b>Amount contributed</b> | <b>Plan year</b> | <b>Applicable effective interest rate</b> | <b>Discounted value on January 1, 2012</b> |
|--------------------|---------------------------|------------------|-------------------------------------------|--------------------------------------------|
| 04/13/2012         | \$ 2,186,037              | 2012             | 6.99%                                     | \$ 2,144,864                               |
| 07/09/2012         | 2,186,037                 | 2012             | 6.99%                                     | 2,110,691                                  |
| 10/04/2012         | 249,000                   | 2012             | 6.99%                                     | 236,587                                    |
| <b>01/15/2013*</b> | <b>1,541,000</b>          | <b>2012</b>      | <b>6.99%</b>                              | <b>1,436,594</b>                           |
| 09/09/2013         | 1,030,000                 | 2012             | 6.99%                                     | 919,000                                    |
| <b>Total</b>       | <b>\$ 7,192,074</b>       |                  |                                           | <b>\$ 6,847,736</b>                        |

\* As a result of an administrative error, the January 15, 2013 quarterly required contribution of three other plans was satisfied but allocated to this plan. On September 4, 2013 a \$623,000 transfer representing the original contributions plus an appropriate investment return was re-allocated to the other plans to correct the error.

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods****Actuarial Assumptions****Discount rate sponsor elections**

|                                                           |                                |                                   |
|-----------------------------------------------------------|--------------------------------|-----------------------------------|
| • Segment rates or full yield curve                       | Segment                        |                                   |
| • Look-back months                                        | 0                              |                                   |
| • Use stabilized rates – funding                          | Yes                            |                                   |
| • Use stabilized rates – Section 436 benefit restrictions | Yes                            |                                   |
| •                                                         | <b><u>Stabilized rates</u></b> | <b><u>Nonstabilized rates</u></b> |
| • First 5 years                                           | 5.54%                          | 1.98%                             |
| • Next 15 years                                           | 6.85%                          | 5.07%                             |
| • Over 20 years                                           | 7.52%                          | 6.19%                             |

**Mortality sponsor elections**

|                          |                                                                                                                                                                                                                                                    |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Healthy participants   | Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA. |
| • Pre-1995 disabilities  |                                                                                                                                                                                                                                                    |
| • Post-1994 disabilities |                                                                                                                                                                                                                                                    |

**Other economic assumptions**

|                              |                                             |
|------------------------------|---------------------------------------------|
| • Expected investment return | 8.25% per year for years 2010 through 2012  |
| • Expenses                   | \$507,469 added to current year normal cost |

**Demographic assumptions**

|                      |                                                                                                                                                                                               |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Withdrawal           | See table of sample rates.                                                                                                                                                                    |
| Disability incidence | 1985 Pension Disability Table Class 3 (Male and Female) – see table of sample rates; 0% of participants becoming disabled are assumed to be eligible for Social Security disability benefits. |

**Retirement age**

| Attained Age | Retirement                    |                               |
|--------------|-------------------------------|-------------------------------|
|              | Percentage                    |                               |
|              | Less than 30 years of service | More than 30 years of service |
| 55           | 0%                            | 5%                            |
| 56           | 0                             | 5                             |
| 57           | 0                             | 5                             |
| 58           | 0                             | 5                             |
| 59           | 0                             | 5                             |
| 60           | 15                            | 15                            |
| 61           | 10                            | 10                            |
| 62           | 25                            | 25                            |
| 63           | 10                            | 10                            |
| 64           | 10                            | 10                            |
| 65           | 100                           | 100                           |

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

Benefit commencement age for

- Future vested deferred 62 with 10 years of service or 65
- Current vested deferred 62 with 10 years of service or 65

Spouse assumptions

|                         | <u>Male participants</u> | <u>Female participants</u> |
|-------------------------|--------------------------|----------------------------|
| • Percentage married    | 85%                      | 85%                        |
| • Spouse age difference | 3 years younger          | 3 years older              |

|                           | <u>50% J&amp;S<br/>with pop-up benefit</u> | <u>Single life</u> |
|---------------------------|--------------------------------------------|--------------------|
| <b>Form of payment</b>    |                                            |                    |
| • Active retirements      | 70%                                        | 30%                |
| • Future vested deferred  | 70%                                        | 30%                |
| • Future disabilities     | 70%                                        | 30%                |
| • Future deaths           | 100%(no pop-up)                            | 0%                 |
| • Current vested deferred | 70%                                        | 30%                |

**At-risk assumptions**

- Special retirement rates Active and deferred inactive participants who are eligible for immediate retirement and withdrawal benefits in the first 11 plan years are assumed to 100% retire in the first year of eligibility following the valuation year.

|                                      | <u>50% J&amp;S<br/>with pop-up benefit</u> | <u>Single life</u> |
|--------------------------------------|--------------------------------------------|--------------------|
| <b>Most valuable form of payment</b> |                                            |                    |
| • Males                              | Over Age 50                                | Under Age 50       |
| • Females                            | Over Age 60                                | Under Age 60       |

|                                                   |                                   |
|---------------------------------------------------|-----------------------------------|
| <b>Unpredictable contingent event assumptions</b> | Likelihood of event is de minimis |
|---------------------------------------------------|-----------------------------------|

**Table of Sample Rates**

| Withdrawal   |            |                      |                      |                      |                      |                      |
|--------------|------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Attained Age | Percentage |                      |                      |                      |                      |                      |
|              | Ultimate   | 0-1 Years of Service | 1-2 Years of Service | 2-3 Years of Service | 3-4 Years of Service | 4-5 Years of Service |
| 20           | 6.39%      | 16.86%               | 12.79%               | 10.63%               | 8.53%                | 6.51%                |
| 25           | 4.76       | 14.65                | 10.89                | 8.90                 | 7.01                 | 5.22                 |
| 30           | 3.31       | 12.68                | 9.21                 | 7.38                 | 5.66                 | 4.07                 |
| 35           | 2.80       | 11.92                | 8.56                 | 6.79                 | 5.14                 | 3.63                 |
| 40           | 2.57       | 11.28                | 8.02                 | 6.30                 | 4.70                 | 3.26                 |
| 45           | 2.33       | 10.65                | 7.48                 | 5.80                 | 4.27                 | 3.00                 |
| 50           | 2.10       | 10.0                 | 6.93                 | 5.31                 | 4.01                 | 2.81                 |
| 55           | 1.87       | 9.38                 | 6.45                 | 5.07                 | 3.79                 | 2.63                 |

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

| Attained Age | Disability |        |
|--------------|------------|--------|
|              | Male       | Female |
| 20           | 0.151%     | 0.089% |
| 25           | 0.219%     | 0.150% |
| 30           | 0.309%     | 0.252% |
| 35           | 0.431%     | 0.388% |
| 40           | 0.597%     | 0.547% |
| 45           | 0.829%     | 0.777% |
| 50           | 1.224%     | 1.201% |
| 55           | 2.118%     | 1.962% |
| 60           | 3.240%     | 2.326% |
| 65           | 4.369%     | 2.718% |

## Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

### Actuarial Methods

#### Asset Methods

The asset valuation method is an average of the adjusted market value for each month during the last two years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

#### Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.

#### Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- This plan provides benefits that are not a function of a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the ratio of the participant's service at the beginning of the plan year to their service at each decrement age and is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

**Schedule SB, Line 4 — Additional Information for Plans in At-Risk Status**

- **Special retirement assumption** – Active and deferred inactive participants who are eligible for immediate retirement and withdrawal benefits in the first 11 plan years are assumed to 100% retire in the first year of eligibility following the valuation year.
- **Most valuable form of payment** –

|           | <b>50% J&amp;S<br/><u>with pop-up benefit</u></b> | <b><u>Single life</u></b> |
|-----------|---------------------------------------------------|---------------------------|
| • Males   | Over Age 50                                       | Under Age 50              |
| • Females | Over Age 60                                       | Under Age 60              |

**Schedule SB, Line 22 — Description of Weighted Average Retirement Age****A. For Participants with less than 30 Years of Service**

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

| (A)<br><u>Age</u>      | (B)<br><u>Retirement Rate</u> | (C)<br><u>Lx Table</u> | (D)<br><u>Number Retiring</u> | (E)<br><u>Number Retiring x Age</u> |
|------------------------|-------------------------------|------------------------|-------------------------------|-------------------------------------|
| 55                     | 0%                            | 100,000                | 0                             | 0                                   |
| 56                     | 0%                            | 100,000                | 0                             | 0                                   |
| 57                     | 0%                            | 100,000                | 0                             | 0                                   |
| 58                     | 0%                            | 100,000                | 0                             | 0                                   |
| 59                     | 0%                            | 100,000                | 0                             | 0                                   |
| 60                     | 15%                           | 100,000                | 15,000                        | 900,000                             |
| 61                     | 10%                           | 85,000                 | 8,500                         | 518,500                             |
| 62                     | 25%                           | 76,500                 | 19,125                        | 1,185,750                           |
| 63                     | 10%                           | 57,375                 | 5,738                         | 361,464                             |
| 64                     | 10%                           | 51,637                 | 5,164                         | 330,464                             |
| 65                     | 100%                          | 46,473                 | 46,473                        | 3,020,745                           |
|                        |                               | Total                  | 100,000                       | 6,316,985                           |
| Average Retirement Age |                               |                        |                               | 63.17                               |

Note: Column (D) is the product of columns (B) and (C). Column (E) is the product of columns (A) and (D). The average retirement age is the total from column (E) divided by the total from column (D).

**Schedule SB, Line 22 — Description of Weighted Average Retirement Age****B. For Participants with at least 30 Years of Service**

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 62.

| (A)<br><u>Age</u>      | (B)<br><u>Retirement Rate</u> | (C)<br><u>Lx Table</u> | (D)<br><u>Number Retiring</u> | (E)<br><u>Number Retiring x Age</u> |
|------------------------|-------------------------------|------------------------|-------------------------------|-------------------------------------|
| 55                     | 5%                            | 100,000                | 5,000                         | 275,000                             |
| 56                     | 5%                            | 95,000                 | 4,750                         | 266,000                             |
| 57                     | 5%                            | 90,250                 | 4,513                         | 257,241                             |
| 58                     | 5%                            | 85,737                 | 4,287                         | 248,646                             |
| 59                     | 5%                            | 81,450                 | 4,073                         | 240,307                             |
| 60                     | 15%                           | 77,377                 | 11,607                        | 696,420                             |
| 61                     | 10%                           | 65,770                 | 6,577                         | 401,197                             |
| 62                     | 25%                           | 59,193                 | 14,798                        | 917,476                             |
| 63                     | 10%                           | 44,395                 | 4,440                         | 279,720                             |
| 64                     | 10%                           | 39,955                 | 3,996                         | 255,744                             |
| 65                     | 100%                          | 35,959                 | 35,959                        | 2,337,335                           |
|                        |                               | Total                  | 100,000                       | 6,175,086                           |
| Average Retirement Age |                               |                        |                               | 61.75                               |

Note: Column (D) is the product of columns (B) and (C). Column (E) is the product of columns (A) and (D). The average retirement age is the total from column (E) divided by the total from column (D).

**Schedule SB, Line 22 — Description of Weighted Average Retirement Age**

| <u>Category</u> | <u>Number of<br/>Employees</u> | <u>Average Retirement<br/>Age</u> | <u>Number of<br/>Employees x<br/>Average Retirement<br/>Age</u> |
|-----------------|--------------------------------|-----------------------------------|-----------------------------------------------------------------|
| A               | 461                            | 63.17                             | 29,121                                                          |
| B               | 142                            | 61.75                             | 8,768                                                           |
| Total           | 603                            |                                   | 37,889                                                          |
|                 |                                | Average Retirement<br>Age:        | 62.83                                                           |

**Schedule SB, Line 32 — Schedule of Amortization Bases**

The total shortfall amortization charge is the sum of the individual shortfall amortization installment for each plan year covered under PPA. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be negative.

| Shortfall bases  |    |                     |                 |                  |             |
|------------------|----|---------------------|-----------------|------------------|-------------|
| Year established |    | Outstanding balance | Years remaining | 2012 Installment |             |
| 2008             | \$ | 5,350,262           | 3               | \$               | 1,880,399   |
| 2009             |    | 2,698,713           | 4               |                  | 730,185     |
| 2010             |    | 8,306,614           | 5               |                  | 1,845,127   |
| 2011             |    | 13,021,701          | 6               |                  | 2,494,617   |
| 2012             |    | (10,503,280)        | 7               |                  | (1,782,667) |
| Total            | \$ | 18,874,010          |                 | \$               | 5,167,661   |

**Schedule SB, Part V — Summary of Plan Provisions****Summary of Major Plan Provisions**

|                                                  |                                                                                                                                                   |
|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Effective date and plan year                     | Original plan: August 1, 1980<br>Restated plan: June 1, 2010<br>Plan year: January 1 – December 31                                                |
| Status of the plan                               | The plan has ongoing benefit accruals and new employees are eligible to participate in the plan once they satisfy the participation requirements. |
| Significant events that occurred during the year | None                                                                                                                                              |

**Definitions**

|                          |                                                                                                                                                                                                                                                                                                                  |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Eligibility            | All hourly employees covered by a collective bargaining agreement are eligible to participate. Entry into the plan is immediate at hire.                                                                                                                                                                         |
| • Employee contributions | Not applicable                                                                                                                                                                                                                                                                                                   |
| • Vesting service        | One year of Vesting Service is granted for each vesting computation period (any 12-month period beginning on a participant's date of hire or anniversary thereof) during which the participant has at least 1,000 Hours of Service. A partial Year of Vesting is granted if between 173 and 999 hours is worked. |
| • Credited service       | The number of years (rounded up to the next 1/12 year) of a participant's period of employment. Upon layoff and subsequent rehire, up to 2 years of service may be credited for such layoff.                                                                                                                     |

**Schedule SB, Part V — Summary of Plan Provisions****Normal retirement**

- **Eligibility** The first day of the month following or coincident with attainment of age 65 or attainment of age 62 with 10 years of Credited Service.
- **Benefit** The amount determined by multiplying the participant's Pension Factor by the participant's Credited Service.  
Pension factor is determined from the table below based on the highest job grade in which the participant worked 1,000 hours in any 12 consecutive month period during the 120 months preceding date of determination. In the event the participant did not work 1,000 hours in any job grade as described above, the pension factor shall be based on the job grade in which the participant worked the most hours during the 120 months preceding date of determination.  
The current factors are shown below.

| <b>Job Grade</b> | <b>Factor before<br/>6/30/2003</b> | <b>Factor<br/>7/01/2003<br/>through<br/>7/31/2007</b> | <b>Factor<br/>8/01/2007<br/>12/31/2008</b> |
|------------------|------------------------------------|-------------------------------------------------------|--------------------------------------------|
| 1-4              | \$27.25                            | \$30.25                                               | \$31.25                                    |
| 5-8              | \$27.90                            | \$30.90                                               | \$31.90                                    |
| 9-12             | \$28.55                            | \$31.55                                               | \$32.55                                    |
| 13-16            | \$29.25                            | \$32.25                                               | \$33.25                                    |
| 17-20            | \$29.90                            | \$32.90                                               | \$33.90                                    |
| 21-24            | \$30.55                            | \$33.55                                               | \$34.55                                    |
| 25 & above       | \$31.25                            | \$34.25                                               | \$35.25                                    |

| <b>Job Grade</b> | <b>Factor<br/>1/1/2009<br/>through<br/>12/31/2010</b> | <b>Factor after<br/>1/1/2011</b> |
|------------------|-------------------------------------------------------|----------------------------------|
| 1-4              | \$32.25                                               | 33.25                            |
| 5-8              | \$32.90                                               | 33.90                            |
| 9-12             | \$33.55                                               | 34.55                            |
| 13-16            | \$34.25                                               | 35.25                            |
| 17-20            | \$34.90                                               | 35.90                            |
| 21-24            | \$35.55                                               | 36.55                            |
| 25 & above       | \$36.25                                               | 37.25                            |

**Early retirement**

- **Eligibility** The first day of any month following attainment of age 60 and completion of 10 years of Credited Service.  
Special Early: completion of 30 years of Credited Service, regardless of age.

**Schedule SB, Part V — Summary of Plan Provisions**

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Benefit                                   | <p>Normal retirement benefit determined using Credited Service at early retirement date actuarially reduced for commencement before age 62.</p> <p>Early Retirement Supplement: Employees retiring through July 31, 2014 that are at least age 55 with 30 years of Service receive an additional \$300 per month to age 62.</p> <p>Special Early: Normal retirement benefit determined using Credited Service at early retirement date unreduced for early commencement.</p> |
| <b>Late retirement</b>                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| • Eligibility                               | The first day of the month following attainment of age 65.                                                                                                                                                                                                                                                                                                                                                                                                                   |
| • Benefit                                   | Same as Normal Retirement benefit.                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Deferred vested</b>                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| • Eligibility                               | 100% vested at five years of vesting service or age 65.                                                                                                                                                                                                                                                                                                                                                                                                                      |
| • Benefit                                   | The participant's Normal Retirement benefit multiplied by the appropriate vesting percentage.                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Disability</b>                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| • Eligibility                               | Completion of 10 years of Credited Service and determination that participant is totally and permanently disable.                                                                                                                                                                                                                                                                                                                                                            |
| • Benefit                                   | Normal retirement benefit determined using Credited Service at disability retirement date, but less than \$250 per month, payable immediately. Disability benefits cease at age 62, at which time the participant may be eligible for normal retirement benefits.                                                                                                                                                                                                            |
| <b>Pre-retirement death</b>                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| • Eligibility                               | 100% vested at five years of vesting service or age 65.                                                                                                                                                                                                                                                                                                                                                                                                                      |
| • Benefit                                   | Paid to a vested participant's surviving spouse, if any, equal to 50% of the amount that the participant would have received had he terminated employment on his date of death, survived to the earliest date on which he is eligible for an unreduced benefit, and retired with a 50% joint and survivor annuity.                                                                                                                                                           |
| <b>Form of benefits</b>                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| • Automatic form for unmarried participants | Life Annuity                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| • Automatic form for married participants   | 50% Joint and Survivor Pop Up                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| • Optional forms                            | Life Annuity, 50% Joint and Survivor, 75% Joint and Survivor                                                                                                                                                                                                                                                                                                                                                                                                                 |
| • Actuarial equivalence                     | The 50& Joint and Survivor Pop Up is equal to 95% of the Life Annuity. 50% Joint and Survivor and 75% Joint and Survivor forms use GA71M and 5.5%.                                                                                                                                                                                                                                                                                                                           |

**Schedule SB, Part V — Summary of Plan Provisions**

| <b>Miscellaneous</b>                 |                                                                                                                                |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| • Maximum benefits                   | Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2012 the limit is \$200,000. |
| • Administration                     | Administered by the Benefits Committee                                                                                         |
| • Funding medium                     | Trust                                                                                                                          |
| • Benefits not included in valuation | None                                                                                                                           |

**Benefits Included or Excluded**

Unless noted below, all benefits provided by the plan, as restated, are included in this valuation.

- **Plan amendments excluded:** None
- **Late retirement increases:**
  - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½.
  - *Deferred vested participants:* Current deferred vested participants over normal retirement age are not valued including the late retirement actuarial increase.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Sections 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.
- **IRC Section 436 benefit restrictions:**
  - *Unpredictable contingent event benefits:* This valuation does not value the plan's unpredictable contingent event benefits because the likelihood of an event is de minimis.
  - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
  - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Scheduled benefit increases:** Scheduled benefit increases effective after the end of the current plan year are excluded from minimum funding requirements.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

**Plan Provision Changes Since Prior Valuation**

- Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2011 to 2012.

**Schedule SB, Line 24 — Change in Actuarial Assumptions**

The expense component of normal cost increased from \$436,740 to \$507,469 to reflect our expectations for the current year.

**Schedule SB, Line 26 — Schedule of Active Participant Data****Distribution of active participants as of January 1, 2012**

| Attained age | Years of Credited Service as of January 1, 2012 |     |     |       |       |       |       |       |       |         | Total |
|--------------|-------------------------------------------------|-----|-----|-------|-------|-------|-------|-------|-------|---------|-------|
|              | Under 1                                         | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40 & up |       |
| Under 25     | 10                                              | 2   |     |       |       |       |       |       |       |         | 12    |
| 25-29        | 10                                              | 15  | 15  |       |       |       |       |       |       |         | 40    |
| 30-34        | 9                                               | 8   | 30  | 5     |       |       |       |       |       |         | 52    |
| 35-39        | 5                                               | 8   | 27  | 23    | 2     |       |       |       |       |         | 65    |
| 40-44        | 7                                               | 4   | 16  | 14    | 16    | 1     |       |       |       |         | 58    |
| 45-49        | 5                                               | 13  | 20  | 21    | 29    | 6     | 1     | 1     |       |         | 96    |
| 50-54        | 8                                               | 7   | 24  | 12    | 17    | 5     | 10    | 29    | 3     |         | 115   |
| 55-59        | 2                                               | 1   | 11  | 2     | 11    | 5     | 5     | 46    | 23    | 6       | 112   |
| 60-64        | 2                                               |     | 3   | 3     | 3     | 4     | 2     | 14    | 9     | 7       | 47    |
| 65-69        |                                                 |     |     | 1     |       | 1     |       | 1     | 1     | 1       | 5     |
| 70 & up      |                                                 |     |     |       |       |       |       | 1     |       |         | 1     |
| Total        | 58                                              | 58  | 146 | 81    | 78    | 22    | 18    | 92    | 36    | 14      | 603   |

In each cell, the number is the count of active participants for each age/service combination.

|                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                    |                                                                                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration<br/>Pension Benefit Guaranty Corporation</small> | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2012</b><br><br>This Form is Open to Public Inspection |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

► Round off amounts to nearest dollar.

► Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                                         |                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|
| <b>A</b> Name of plan<br><br>ALERIS LEWISPORT HOURLY EMPLOYEES PENSION PLAN                                                                             | <b>B</b> Three-digit plan number (PN) <u>001</u>                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br><br>ALERIS ROLLED PRODUCTS, INC.                                            | <b>D</b> Employer Identification Number (EIN)<br><br>27-1539745 |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B               |                                                                 |
| <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |                                                                 |

|                                                                                                                                                                                                          |              |                            |                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------------------|--------------------|
| <b>Part I Basic Information</b>                                                                                                                                                                          |              |                            |                    |
| <b>1</b> Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2012</u>                                                                                                                          |              |                            |                    |
| <b>2</b> Assets:                                                                                                                                                                                         |              |                            |                    |
| a Market value .....                                                                                                                                                                                     | <b>2a</b>    |                            | 73,186,544         |
| b Actuarial value .....                                                                                                                                                                                  | <b>2b</b>    |                            | 74,297,874         |
| <b>3</b> Funding target/participant count breakdown:                                                                                                                                                     |              | (1) Number of participants | (2) Funding Target |
| a For retired participants and beneficiaries receiving payment .....                                                                                                                                     | <b>3a</b>    | 726                        | 54,325,111         |
| b For terminated vested participants .....                                                                                                                                                               | <b>3b</b>    | 378                        | 9,152,034          |
| c For active participants:                                                                                                                                                                               |              |                            |                    |
| (1) Non-vested benefits .....                                                                                                                                                                            | <b>3c(1)</b> |                            | 2,128,825          |
| (2) Vested benefits .....                                                                                                                                                                                | <b>3c(2)</b> |                            | 27,565,914         |
| (3) Total active .....                                                                                                                                                                                   | <b>3c(3)</b> | 603                        | 29,694,739         |
| d Total .....                                                                                                                                                                                            | <b>3d</b>    | 1,707                      | 93,171,884         |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b) <input checked="" type="checkbox"/>                                                                              |              |                            |                    |
| a Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                       | <b>4a</b>    |                            | 89,970,266         |
| b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor ..... | <b>4b</b>    |                            | 97,974,310         |
| <b>5</b> Effective interest rate .....                                                                                                                                                                   | <b>5</b>     |                            | 6.99 %             |
| <b>6</b> Target normal cost .....                                                                                                                                                                        | <b>6</b>     |                            | 1,677,659          |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                                                                                   |                          |                                                          |
|-----------------------------------------------------------------------------------|--------------------------|----------------------------------------------------------|
| <b>SIGN HERE</b>                                                                  | <br>Signature of actuary | <u>9-18-13</u><br>Date                                   |
| JAMES C. FRIES<br><br>Type or print name of actuary                               |                          | 11-06416<br>Most recent enrollment number                |
| MERCER<br><br>Firm name                                                           |                          | (313) 877-7323<br>Telephone number (including area code) |
| 600 RENAISSANCE CENTER, SUITE 1800<br><br>DETROIT MI 48243<br>Address of the firm |                          |                                                          |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

| Part II Beginning of Year Carryover Prefunding Balances |                                                                                                                                     | (a) Carryover balance | (b) Prefunding balance |
|---------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| 7                                                       | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                     | 0                     | 0                      |
| 8                                                       | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                  | 0                     | 0                      |
| 9                                                       | Amount remaining (line 7 minus line 8) .....                                                                                        | 0                     | 0                      |
| 10                                                      | Interest on line 9 using prior year's actual return of <u>0.74</u> % .....                                                          |                       |                        |
| 11                                                      | Prior year's excess contributions to be added to prefunding balance:                                                                |                       |                        |
|                                                         | a Present value of excess contributions (line 38a from prior year) .....                                                            |                       | 1,420                  |
|                                                         | b Interest on (a) using prior year's effective interest rate of <u>5.91</u> % except as otherwise provided (see instructions) ..... |                       | 84                     |
|                                                         | c Total available at beginning of current plan year to add to prefunding balance .....                                              |                       | 1,504                  |
|                                                         | d Portion of (c) to be added to prefunding balance .....                                                                            |                       |                        |
| 12                                                      | Other reductions in balances due to elections or deemed elections .....                                                             |                       |                        |
| 13                                                      | Balance at beginning of current year (line 9 + line 10 + line 11d - line 12) .....                                                  | 0                     | 0                      |

| Part III Funding Percentages |                                                                                                                                                                  |    |         |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|---------|
| 14                           | Funding target attainment percentage .....                                                                                                                       | 14 | 82.58 % |
| 15                           | Adjusted funding target attainment percentage .....                                                                                                              | 15 | 82.58 % |
| 16                           | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | 16 | 65.11 % |
| 17                           | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....                                        | 17 | %       |

| Part IV Contributions and Liquidity Shortfalls                                    |                                   |                                 |                          |                                   |                                 |
|-----------------------------------------------------------------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| 18 Contributions made to the plan for the plan year by employer(s) and employees: |                                   |                                 |                          |                                   |                                 |
| (a) Date<br>(MM-DD-YYYY)                                                          | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
| 04/13/2012                                                                        | 2,186,037                         |                                 |                          |                                   |                                 |
| 07/09/2012                                                                        | 2,186,037                         |                                 |                          |                                   |                                 |
| 10/04/2012                                                                        | 249,000                           |                                 |                          |                                   |                                 |
| 01/15/2013                                                                        | 1,541,000                         |                                 |                          |                                   |                                 |
| 09/09/2013                                                                        | 1,030,000                         |                                 |                          |                                   |                                 |
|                                                                                   |                                   |                                 | <b>Totals ▶</b>          | <b>18(b)</b>                      | 7,192,074                       |
|                                                                                   |                                   |                                 |                          | <b>18(c)</b>                      | 0                               |

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

|                                                                                                                  |     |           |
|------------------------------------------------------------------------------------------------------------------|-----|-----------|
| a Contributions allocated toward unpaid minimum required contributions from prior years. ....                    | 19a | 0         |
| b Contributions made to avoid restrictions adjusted to valuation date .....                                      | 19b | 0         |
| c Contributions allocated toward minimum required contribution for current year adjusted to valuation date ..... | 19c | 6,847,736 |

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

| Liquidity shortfall as of end of quarter of this plan year |         |         |         |
|------------------------------------------------------------|---------|---------|---------|
| (1) 1st                                                    | (2) 2nd | (3) 3rd | (4) 4th |
| 0                                                          | 0       | 0       | 0       |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

|                                                                                                                                                                                              |                        |                        |                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                        |                        |                                                     |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>5.54 % | 2nd segment:<br>6.85 % | 3rd segment:<br>7.52 %                              |
|                                                                                                                                                                                              |                        |                        | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code).....                                                                                                                                                  |                        |                        | <b>21b</b> 0                                        |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              |                        |                        | <b>22</b> 63                                        |
| <b>23</b> Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                        |                        |                                                     |

**Part VI Miscellaneous Items**

|                                                                                                                                                                       |           |                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------------------------------------------------------|
| <b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... |           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....                                      |           | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....                            |           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....                                   | <b>27</b> |                                                                     |

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

|                                                                                                                                     |           |   |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contributions for all prior years .....                                                           | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)..... | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....                                   | <b>30</b> | 0 |

**Part VIII Minimum Required Contribution For Current Year**

|                                                                                                                                                                                      |  |                     |                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------|--------------------|
| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                                   |  |                     |                    |
| <b>a</b> Target normal cost (line 6).....                                                                                                                                            |  | <b>31a</b>          | 1,677,659          |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a .....                                                                                                           |  | <b>31b</b>          | 0                  |
| <b>32</b> Amortization installments:                                                                                                                                                 |  | Outstanding Balance | Installment        |
| <b>a</b> Net shortfall amortization installment.....                                                                                                                                 |  | 18,874,010          | 5,167,661          |
| <b>b</b> Waiver amortization installment.....                                                                                                                                        |  | 0                   | 0                  |
| <b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount ..... |  | <b>33</b>           |                    |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..                                                            |  | <b>34</b>           | 6,845,320          |
|                                                                                                                                                                                      |  | Carryover balance   | Prefunding balance |
| <b>35</b> Balances elected for use to offset funding requirement.....                                                                                                                |  | 0                   | 0                  |
| <b>36</b> Additional cash requirement (line 34 minus line 35).....                                                                                                                   |  | <b>36</b>           | 6,845,320          |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....                                                   |  | <b>37</b>           | 6,847,736          |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                                  |  |                     |                    |
| <b>a</b> Total (excess, if any, of line 37 over line 36) .....                                                                                                                       |  | <b>38a</b>          | 2,416              |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                |  | <b>38b</b>          | 0                  |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....                                                                      |  | <b>39</b>           | 0                  |
| <b>40</b> Unpaid minimum required contributions for all years .....                                                                                                                  |  | <b>40</b>           | 0                  |

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**

|                                                                                                |                                                                                                                         |
|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:                |                                                                                                                         |
| <b>a</b> Schedule elected .....                                                                | <input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years                                               |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made .....               | <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011 |
| <b>42</b> Amount of acceleration adjustment .....                                              | <b>42</b>                                                                                                               |
| <b>43</b> Excess installment acceleration amount to be carried over to future plan years ..... | <b>43</b>                                                                                                               |

**Schedule SB, Line 4 — Additional Information for Plans in At-Risk Status**

- **Special retirement assumption** – Active and deferred inactive participants who are eligible for immediate retirement and withdrawal benefits in the first 11 plan years are assumed to 100% retire in the first year of eligibility following the valuation year.
- **Most valuable form of payment** –

|           | <b>50% J&amp;S<br/><u>with pop-up benefit</u></b> | <b><u>Single life</u></b> |
|-----------|---------------------------------------------------|---------------------------|
| • Males   | Over Age 50                                       | Under Age 50              |
| • Females | Over Age 60                                       | Under Age 60              |

**Schedule SB, line 19 — Discounted Employer Contributions**

| <b>Date</b>        | <b>Amount contributed</b> | <b>Plan year</b> | <b>Applicable effective interest rate</b> | <b>Discounted value on January 1, 2012</b> |
|--------------------|---------------------------|------------------|-------------------------------------------|--------------------------------------------|
| 04/13/2012         | \$ 2,186,037              | 2012             | 6.99%                                     | \$ 2,144,864                               |
| 07/09/2012         | 2,186,037                 | 2012             | 6.99%                                     | 2,110,691                                  |
| 10/04/2012         | 249,000                   | 2012             | 6.99%                                     | 236,587                                    |
| <b>01/15/2013*</b> | <b>1,541,000</b>          | <b>2012</b>      | <b>6.99%</b>                              | <b>1,436,594</b>                           |
| 09/09/2013         | 1,030,000                 | 2012             | 6.99%                                     | 919,000                                    |
| <b>Total</b>       | <b>\$ 7,192,074</b>       |                  |                                           | <b>\$ 6,847,736</b>                        |

\* As a result of an administrative error, the January 15, 2013 quarterly required contribution of three other plans was satisfied but allocated to this plan. On September 4, 2013 a \$623,000 transfer representing the original contributions plus an appropriate investment return was re-allocated to the other plans to correct the error.

**Schedule SB, Line 22 — Description of Weighted Average Retirement Age****A. For Participants with less than 30 Years of Service**

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

| (A)<br><u>Age</u>      | (B)<br><u>Retirement Rate</u> | (C)<br><u>Lx Table</u> | (D)<br><u>Number Retiring</u> | (E)<br><u>Number Retiring x Age</u> |
|------------------------|-------------------------------|------------------------|-------------------------------|-------------------------------------|
| 55                     | 0%                            | 100,000                | 0                             | 0                                   |
| 56                     | 0%                            | 100,000                | 0                             | 0                                   |
| 57                     | 0%                            | 100,000                | 0                             | 0                                   |
| 58                     | 0%                            | 100,000                | 0                             | 0                                   |
| 59                     | 0%                            | 100,000                | 0                             | 0                                   |
| 60                     | 15%                           | 100,000                | 15,000                        | 900,000                             |
| 61                     | 10%                           | 85,000                 | 8,500                         | 518,500                             |
| 62                     | 25%                           | 76,500                 | 19,125                        | 1,185,750                           |
| 63                     | 10%                           | 57,375                 | 5,738                         | 361,464                             |
| 64                     | 10%                           | 51,637                 | 5,164                         | 330,464                             |
| 65                     | 100%                          | 46,473                 | 46,473                        | 3,020,745                           |
|                        |                               | Total                  | 100,000                       | 6,316,985                           |
| Average Retirement Age |                               |                        |                               | 63.17                               |

Note: Column (D) is the product of columns (B) and (C). Column (E) is the product of columns (A) and (D). The average retirement age is the total from column (E) divided by the total from column (D).

**Schedule SB, Line 22 — Description of Weighted Average Retirement Age****B. For Participants with at least 30 Years of Service**

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 62.

| (A)<br><u>Age</u>      | (B)<br><u>Retirement Rate</u> | (C)<br><u>Lx Table</u> | (D)<br><u>Number Retiring</u> | (E)<br><u>Number Retiring x Age</u> |
|------------------------|-------------------------------|------------------------|-------------------------------|-------------------------------------|
| 55                     | 5%                            | 100,000                | 5,000                         | 275,000                             |
| 56                     | 5%                            | 95,000                 | 4,750                         | 266,000                             |
| 57                     | 5%                            | 90,250                 | 4,513                         | 257,241                             |
| 58                     | 5%                            | 85,737                 | 4,287                         | 248,646                             |
| 59                     | 5%                            | 81,450                 | 4,073                         | 240,307                             |
| 60                     | 15%                           | 77,377                 | 11,607                        | 696,420                             |
| 61                     | 10%                           | 65,770                 | 6,577                         | 401,197                             |
| 62                     | 25%                           | 59,193                 | 14,798                        | 917,476                             |
| 63                     | 10%                           | 44,395                 | 4,440                         | 279,720                             |
| 64                     | 10%                           | 39,955                 | 3,996                         | 255,744                             |
| 65                     | 100%                          | 35,959                 | 35,959                        | 2,337,335                           |
|                        |                               | Total                  | 100,000                       | 6,175,086                           |
| Average Retirement Age |                               |                        |                               | 61.75                               |

Note: Column (D) is the product of columns (B) and (C). Column (E) is the product of columns (A) and (D). The average retirement age is the total from column (E) divided by the total from column (D).

**Schedule SB, Line 22 — Description of Weighted Average Retirement Age**

| <u>Category</u> | <u>Number of<br/>Employees</u> | <u>Average Retirement<br/>Age</u> | <u>Number of<br/>Employees x<br/>Average Retirement<br/>Age</u> |
|-----------------|--------------------------------|-----------------------------------|-----------------------------------------------------------------|
| A               | 461                            | 63.17                             | 29,121                                                          |
| B               | 142                            | 61.75                             | 8,768                                                           |
| Total           | 603                            |                                   | 37,889                                                          |
|                 |                                | Average Retirement<br>Age:        | 62.83                                                           |

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods****Actuarial Assumptions****Discount rate sponsor elections**

|                                                           |                                |                                   |
|-----------------------------------------------------------|--------------------------------|-----------------------------------|
| • Segment rates or full yield curve                       | Segment                        |                                   |
| • Look-back months                                        | 0                              |                                   |
| • Use stabilized rates – funding                          | Yes                            |                                   |
| • Use stabilized rates – Section 436 benefit restrictions | Yes                            |                                   |
| •                                                         | <b><u>Stabilized rates</u></b> | <b><u>Nonstabilized rates</u></b> |
| • First 5 years                                           | 5.54%                          | 1.98%                             |
| • Next 15 years                                           | 6.85%                          | 5.07%                             |
| • Over 20 years                                           | 7.52%                          | 6.19%                             |

**Mortality sponsor elections**

|                          |                                                                                                                                                                                                                                                    |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Healthy participants   | Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA. |
| • Pre-1995 disabilities  |                                                                                                                                                                                                                                                    |
| • Post-1994 disabilities |                                                                                                                                                                                                                                                    |

**Other economic assumptions**

|                              |                                             |
|------------------------------|---------------------------------------------|
| • Expected investment return | 8.25% per year for years 2010 through 2012  |
| • Expenses                   | \$507,469 added to current year normal cost |

**Demographic assumptions**

|                      |                                                                                                                                                                                               |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Withdrawal           | See table of sample rates.                                                                                                                                                                    |
| Disability incidence | 1985 Pension Disability Table Class 3 (Male and Female) – see table of sample rates; 0% of participants becoming disabled are assumed to be eligible for Social Security disability benefits. |

**Retirement age**

| Attained Age | Retirement                    |                               |
|--------------|-------------------------------|-------------------------------|
|              | Percentage                    |                               |
|              | Less than 30 years of service | More than 30 years of service |
| 55           | 0%                            | 5%                            |
| 56           | 0                             | 5                             |
| 57           | 0                             | 5                             |
| 58           | 0                             | 5                             |
| 59           | 0                             | 5                             |
| 60           | 15                            | 15                            |
| 61           | 10                            | 10                            |
| 62           | 25                            | 25                            |
| 63           | 10                            | 10                            |
| 64           | 10                            | 10                            |
| 65           | 100                           | 100                           |

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

Benefit commencement age for

- Future vested deferred 62 with 10 years of service or 65
- Current vested deferred 62 with 10 years of service or 65

Spouse assumptions

|                         | <u>Male participants</u> | <u>Female participants</u> |
|-------------------------|--------------------------|----------------------------|
| • Percentage married    | 85%                      | 85%                        |
| • Spouse age difference | 3 years younger          | 3 years older              |

|                           | <u>50% J&amp;S<br/>with pop-up benefit</u> | <u>Single life</u> |
|---------------------------|--------------------------------------------|--------------------|
| <b>Form of payment</b>    |                                            |                    |
| • Active retirements      | 70%                                        | 30%                |
| • Future vested deferred  | 70%                                        | 30%                |
| • Future disabilities     | 70%                                        | 30%                |
| • Future deaths           | 100%(no pop-up)                            | 0%                 |
| • Current vested deferred | 70%                                        | 30%                |

**At-risk assumptions**

- Special retirement rates Active and deferred inactive participants who are eligible for immediate retirement and withdrawal benefits in the first 11 plan years are assumed to 100% retire in the first year of eligibility following the valuation year.

|                                      | <u>50% J&amp;S<br/>with pop-up benefit</u> | <u>Single life</u> |
|--------------------------------------|--------------------------------------------|--------------------|
| <b>Most valuable form of payment</b> |                                            |                    |
| • Males                              | Over Age 50                                | Under Age 50       |
| • Females                            | Over Age 60                                | Under Age 60       |

|                                                   |                                   |
|---------------------------------------------------|-----------------------------------|
| <b>Unpredictable contingent event assumptions</b> | Likelihood of event is de minimis |
|---------------------------------------------------|-----------------------------------|

**Table of Sample Rates**

| Withdrawal   |            |                      |                      |                      |                      |                      |
|--------------|------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Attained Age | Percentage |                      |                      |                      |                      |                      |
|              | Ultimate   | 0-1 Years of Service | 1-2 Years of Service | 2-3 Years of Service | 3-4 Years of Service | 4-5 Years of Service |
| 20           | 6.39%      | 16.86%               | 12.79%               | 10.63%               | 8.53%                | 6.51%                |
| 25           | 4.76       | 14.65                | 10.89                | 8.90                 | 7.01                 | 5.22                 |
| 30           | 3.31       | 12.68                | 9.21                 | 7.38                 | 5.66                 | 4.07                 |
| 35           | 2.80       | 11.92                | 8.56                 | 6.79                 | 5.14                 | 3.63                 |
| 40           | 2.57       | 11.28                | 8.02                 | 6.30                 | 4.70                 | 3.26                 |
| 45           | 2.33       | 10.65                | 7.48                 | 5.80                 | 4.27                 | 3.00                 |
| 50           | 2.10       | 10.0                 | 6.93                 | 5.31                 | 4.01                 | 2.81                 |
| 55           | 1.87       | 9.38                 | 6.45                 | 5.07                 | 3.79                 | 2.63                 |

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

| Disability   |        |        |
|--------------|--------|--------|
| Attained Age | Male   | Female |
| 20           | 0.151% | 0.089% |
| 25           | 0.219% | 0.150% |
| 30           | 0.309% | 0.252% |
| 35           | 0.431% | 0.388% |
| 40           | 0.597% | 0.547% |
| 45           | 0.829% | 0.777% |
| 50           | 1.224% | 1.201% |
| 55           | 2.118% | 1.962% |
| 60           | 3.240% | 2.326% |
| 65           | 4.369% | 2.718% |

## Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

### Actuarial Methods

#### Asset Methods

The asset valuation method is an average of the adjusted market value for each month during the last two years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

#### Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.

#### Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- This plan provides benefits that are not a function of a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the ratio of the participant's service at the beginning of the plan year to their service at each decrement age and is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

**Schedule SB, Line 24 — Change in Actuarial Assumptions**

The expense component of normal cost increased from \$436,740 to \$507,469 to reflect our expectations for the current year.

**Schedule SB, Line 26 — Schedule of Active Participant Data****Distribution of active participants as of January 1, 2012**

| Attained age | Years of Credited Service as of January 1, 2012 |     |     |       |       |       |       |       |       |         | Total |
|--------------|-------------------------------------------------|-----|-----|-------|-------|-------|-------|-------|-------|---------|-------|
|              | Under 1                                         | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40 & up |       |
| Under 25     | 10                                              | 2   |     |       |       |       |       |       |       |         | 12    |
| 25-29        | 10                                              | 15  | 15  |       |       |       |       |       |       |         | 40    |
| 30-34        | 9                                               | 8   | 30  | 5     |       |       |       |       |       |         | 52    |
| 35-39        | 5                                               | 8   | 27  | 23    | 2     |       |       |       |       |         | 65    |
| 40-44        | 7                                               | 4   | 16  | 14    | 16    | 1     |       |       |       |         | 58    |
| 45-49        | 5                                               | 13  | 20  | 21    | 29    | 6     | 1     | 1     |       |         | 96    |
| 50-54        | 8                                               | 7   | 24  | 12    | 17    | 5     | 10    | 29    | 3     |         | 115   |
| 55-59        | 2                                               | 1   | 11  | 2     | 11    | 5     | 5     | 46    | 23    | 6       | 112   |
| 60-64        | 2                                               |     | 3   | 3     | 3     | 4     | 2     | 14    | 9     | 7       | 47    |
| 65-69        |                                                 |     |     | 1     |       | 1     |       | 1     | 1     | 1       | 5     |
| 70 & up      |                                                 |     |     |       |       |       |       | 1     |       |         | 1     |
| Total        | 58                                              | 58  | 146 | 81    | 78    | 22    | 18    | 92    | 36    | 14      | 603   |

In each cell, the number is the count of active participants for each age/service combination.

**Schedule SB, Line 32 — Schedule of Amortization Bases**

The total shortfall amortization charge is the sum of the individual shortfall amortization installment for each plan year covered under PPA. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be negative.

| Shortfall bases  |    |                     |                 |                  |             |
|------------------|----|---------------------|-----------------|------------------|-------------|
| Year established |    | Outstanding balance | Years remaining | 2012 Installment |             |
| 2008             | \$ | 5,350,262           | 3               | \$               | 1,880,399   |
| 2009             |    | 2,698,713           | 4               |                  | 730,185     |
| 2010             |    | 8,306,614           | 5               |                  | 1,845,127   |
| 2011             |    | 13,021,701          | 6               |                  | 2,494,617   |
| 2012             |    | (10,503,280)        | 7               |                  | (1,782,667) |
| Total            | \$ | 18,874,010          |                 | \$               | 5,167,661   |

**Schedule SB, Part V — Summary of Plan Provisions****Summary of Major Plan Provisions**

|                                                  |                                                                                                                                                   |
|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Effective date and plan year                     | Original plan: August 1, 1980<br>Restated plan: June 1, 2010<br>Plan year: January 1 – December 31                                                |
| Status of the plan                               | The plan has ongoing benefit accruals and new employees are eligible to participate in the plan once they satisfy the participation requirements. |
| Significant events that occurred during the year | None                                                                                                                                              |

**Definitions**

|                          |                                                                                                                                                                                                                                                                                                                  |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Eligibility            | All hourly employees covered by a collective bargaining agreement are eligible to participate. Entry into the plan is immediate at hire.                                                                                                                                                                         |
| • Employee contributions | Not applicable                                                                                                                                                                                                                                                                                                   |
| • Vesting service        | One year of Vesting Service is granted for each vesting computation period (any 12-month period beginning on a participant's date of hire or anniversary thereof) during which the participant has at least 1,000 Hours of Service. A partial Year of Vesting is granted if between 173 and 999 hours is worked. |
| • Credited service       | The number of years (rounded up to the next 1/12 year) of a participant's period of employment. Upon layoff and subsequent rehire, up to 2 years of service may be credited for such layoff.                                                                                                                     |

**Schedule SB, Part V — Summary of Plan Provisions****Normal retirement**

- **Eligibility** The first day of the month following or coincident with attainment of age 65 or attainment of age 62 with 10 years of Credited Service.
- **Benefit** The amount determined by multiplying the participant's Pension Factor by the participant's Credited Service.  
Pension factor is determined from the table below based on the highest job grade in which the participant worked 1,000 hours in any 12 consecutive month period during the 120 months preceding date of determination. In the event the participant did not work 1,000 hours in any job grade as described above, the pension factor shall be based on the job grade in which the participant worked the most hours during the 120 months preceding date of determination.  
The current factors are shown below.

| <b>Job Grade</b> | <b>Factor before<br/>6/30/2003</b> | <b>Factor<br/>7/01/2003<br/>through<br/>7/31/2007</b> | <b>Factor<br/>8/01/2007<br/>12/31/2008</b> |
|------------------|------------------------------------|-------------------------------------------------------|--------------------------------------------|
| 1-4              | \$27.25                            | \$30.25                                               | \$31.25                                    |
| 5-8              | \$27.90                            | \$30.90                                               | \$31.90                                    |
| 9-12             | \$28.55                            | \$31.55                                               | \$32.55                                    |
| 13-16            | \$29.25                            | \$32.25                                               | \$33.25                                    |
| 17-20            | \$29.90                            | \$32.90                                               | \$33.90                                    |
| 21-24            | \$30.55                            | \$33.55                                               | \$34.55                                    |
| 25 & above       | \$31.25                            | \$34.25                                               | \$35.25                                    |

| <b>Job Grade</b> | <b>Factor<br/>1/1/2009<br/>through<br/>12/31/2010</b> | <b>Factor after<br/>1/1/2011</b> |
|------------------|-------------------------------------------------------|----------------------------------|
| 1-4              | \$32.25                                               | 33.25                            |
| 5-8              | \$32.90                                               | 33.90                            |
| 9-12             | \$33.55                                               | 34.55                            |
| 13-16            | \$34.25                                               | 35.25                            |
| 17-20            | \$34.90                                               | 35.90                            |
| 21-24            | \$35.55                                               | 36.55                            |
| 25 & above       | \$36.25                                               | 37.25                            |

**Early retirement**

- **Eligibility** The first day of any month following attainment of age 60 and completion of 10 years of Credited Service.  
Special Early: completion of 30 years of Credited Service, regardless of age.

**Schedule SB, Part V — Summary of Plan Provisions**

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Benefit                                   | <p>Normal retirement benefit determined using Credited Service at early retirement date actuarially reduced for commencement before age 62.</p> <p>Early Retirement Supplement: Employees retiring through July 31, 2014 that are at least age 55 with 30 years of Service receive an additional \$300 per month to age 62.</p> <p>Special Early: Normal retirement benefit determined using Credited Service at early retirement date unreduced for early commencement.</p> |
| <b>Late retirement</b>                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| • Eligibility                               | The first day of the month following attainment of age 65.                                                                                                                                                                                                                                                                                                                                                                                                                   |
| • Benefit                                   | Same as Normal Retirement benefit.                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Deferred vested</b>                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| • Eligibility                               | 100% vested at five years of vesting service or age 65.                                                                                                                                                                                                                                                                                                                                                                                                                      |
| • Benefit                                   | The participant's Normal Retirement benefit multiplied by the appropriate vesting percentage.                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Disability</b>                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| • Eligibility                               | Completion of 10 years of Credited Service and determination that participant is totally and permanently disable.                                                                                                                                                                                                                                                                                                                                                            |
| • Benefit                                   | Normal retirement benefit determined using Credited Service at disability retirement date, but less than \$250 per month, payable immediately. Disability benefits cease at age 62, at which time the participant may be eligible for normal retirement benefits.                                                                                                                                                                                                            |
| <b>Pre-retirement death</b>                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| • Eligibility                               | 100% vested at five years of vesting service or age 65.                                                                                                                                                                                                                                                                                                                                                                                                                      |
| • Benefit                                   | Paid to a vested participant's surviving spouse, if any, equal to 50% of the amount that the participant would have received had he terminated employment on his date of death, survived to the earliest date on which he is eligible for an unreduced benefit, and retired with a 50% joint and survivor annuity.                                                                                                                                                           |
| <b>Form of benefits</b>                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| • Automatic form for unmarried participants | Life Annuity                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| • Automatic form for married participants   | 50% Joint and Survivor Pop Up                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| • Optional forms                            | Life Annuity, 50% Joint and Survivor, 75% Joint and Survivor                                                                                                                                                                                                                                                                                                                                                                                                                 |
| • Actuarial equivalence                     | The 50& Joint and Survivor Pop Up is equal to 95% of the Life Annuity. 50% Joint and Survivor and 75% Joint and Survivor forms use GA71M and 5.5%.                                                                                                                                                                                                                                                                                                                           |

**Schedule SB, Part V — Summary of Plan Provisions**

| <b>Miscellaneous</b>                 |                                                                                                                                |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| • Maximum benefits                   | Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2012 the limit is \$200,000. |
| • Administration                     | Administered by the Benefits Committee                                                                                         |
| • Funding medium                     | Trust                                                                                                                          |
| • Benefits not included in valuation | None                                                                                                                           |

**Benefits Included or Excluded**

Unless noted below, all benefits provided by the plan, as restated, are included in this valuation.

- **Plan amendments excluded:** None
- **Late retirement increases:**
  - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½.
  - *Deferred vested participants:* Current deferred vested participants over normal retirement age are not valued including the late retirement actuarial increase.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Sections 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.
- **IRC Section 436 benefit restrictions:**
  - *Unpredictable contingent event benefits:* This valuation does not value the plan's unpredictable contingent event benefits because the likelihood of an event is de minimis.
  - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
  - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Scheduled benefit increases:** Scheduled benefit increases effective after the end of the current plan year are excluded from minimum funding requirements.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

**Plan Provision Changes Since Prior Valuation**

- Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2011 to 2012.

**Aleris Lewisport Hourly Employees Pension Plan**

**EIN # 27-1539745      Plan # 001**

**Schedule H, Line 4i – Schedule of Assets (Held at End of Year)**

**As of December 31, 2012**

| <b>Identity of Issue, Borrower,<br/>Lessor, or Similar Party</b> | <b>Description of Investment,<br/>Including Maturity Date,<br/>Rate of Interest, Collateral,<br/>Par, or Maturity Value</b> | <b>Cost</b>                 | <b>Current<br/>Value</b>    |
|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Interest-Bearing Cash</b>                                     |                                                                                                                             |                             |                             |
| * Wells Fargo Bank Collateralized Instl Bank Deposit             | 220,898 shares                                                                                                              | \$ 220,898                  | \$ 220,898                  |
| <b>Mutual Funds</b>                                              |                                                                                                                             |                             |                             |
| Aston Tamro Small Cap Fund                                       | 185,976 shares                                                                                                              | 3,789,667                   | 3,673,030                   |
| Templeton Instl Foreign Small Company Fund                       | 240,587 shares                                                                                                              | 3,746,626                   | 4,405,154                   |
| Vanguard Institutional Index Fund                                | 85,294 shares                                                                                                               | 10,034,971                  | 11,132,598                  |
| Vanguard Total Bond Market Index Fund                            | 893,632 shares                                                                                                              | 9,849,425                   | 9,910,378                   |
| * Wells Fargo Adv Emerging Markets Equity Fund                   | 230,783 shares                                                                                                              | 4,735,438                   | 5,215,691                   |
| William Blair Mid Cap Growth Fund                                | 343,765 shares                                                                                                              | 4,191,871                   | 4,438,003                   |
|                                                                  |                                                                                                                             | <u>36,347,998</u>           | <u>38,774,854</u>           |
| <b>Commingled Funds</b>                                          |                                                                                                                             |                             |                             |
| ABS Alpha Ltd. Global Equity Portfolio                           | 83,172 shares                                                                                                               | 9,703,000                   | 10,125,351                  |
| Sanderson Intl. Value Group Trust Fund                           | 376,358 shares                                                                                                              | 6,738,142                   | 8,242,597                   |
| Strategic Property Trust Fund of JPMC                            | 4,539 shares                                                                                                                | 8,000,000                   | 8,520,043                   |
| C.S. McKee Core Fixed Income Fund                                | 816,326 shares                                                                                                              | 9,355,824                   | 9,546,034                   |
|                                                                  |                                                                                                                             | <u>33,796,966</u>           | <u>36,434,025</u>           |
| <b>Limited Partnership Interests</b>                             |                                                                                                                             |                             |                             |
| Frontier Small Cap Value Fund, L.P.                              |                                                                                                                             | 3,200,000                   | 3,965,099                   |
| Chrysalis Ventures II, L.P.                                      |                                                                                                                             | 400,388                     | 351,608                     |
|                                                                  |                                                                                                                             | <u>3,600,388</u>            | <u>4,316,707</u>            |
|                                                                  |                                                                                                                             | <u><u>\$ 73,966,250</u></u> | <u><u>\$ 79,746,484</u></u> |

\* Denotes a party in interest to the Plan.

**Aleris Lewisport Hourly Employees Pension Plan**

**EIN # 27-1539745      Plan # 001**

**Schedule H, Line 4j – Schedule of Reportable Transactions**

**Year Ended December 31, 2012**

| <b>Identity of Party Involved/<br/>Description of Asset</b>                                | <b>Purchase<br/>Price</b> | <b>Selling<br/>Price</b> | <b>Cost of<br/>Asset</b> | <b>Current<br/>Value of<br/>Asset on<br/>Transaction<br/>Date</b> | <b>Net Gain<br/>(Loss)</b> |
|--------------------------------------------------------------------------------------------|---------------------------|--------------------------|--------------------------|-------------------------------------------------------------------|----------------------------|
| <b>Category 1 – Single transactions in excess of 5% of plan assets</b>                     |                           |                          |                          |                                                                   |                            |
| ABS Alpha Ltd. Global Equity Portfolio                                                     | \$ 4,700,000              |                          | \$ 4,700,000             | \$ 4,700,000                                                      |                            |
| ABS Alpha Ltd. Global Equity Portfolio                                                     | 5,003,000                 |                          | 5,003,000                | 5,003,000                                                         |                            |
| C.S. McKee Core Fixed Income Fund                                                          | 8,515,680                 |                          | 8,515,680                | 8,515,680                                                         |                            |
| Ishares Barclays Aggregate Bond Fund                                                       |                           | \$ 8,515,680             | 8,499,917                | 8,515,680                                                         | \$ 15,763                  |
| Strategic Property Trust Fund of JPMC                                                      | 8,000,000                 |                          | 8,000,000                | 8,000,000                                                         |                            |
| Sanderson Intl. Value Group Trust Fund                                                     | 6,800,218                 |                          | 6,800,218                | 6,800,218                                                         |                            |
| Vanguard Total Bond Market Index Fund                                                      |                           | 9,000,000                | 8,871,293                | 8,871,293                                                         | 128,707                    |
| Wells Fargo Bank Collateralized Instl Bank Deposit                                         | 5,003,000                 |                          | 5,003,000                | 5,003,000                                                         |                            |
| Wells Fargo Bank Collateralized Instl Bank Deposit                                         |                           | 5,003,000                | 5,003,000                | 5,003,000                                                         | –                          |
| Wells Fargo Bank Collateralized Instl Bank Deposit                                         | 9,000,000                 |                          | 9,000,000                | 9,000,000                                                         |                            |
| Wells Fargo Bank Collateralized Instl Bank Deposit                                         |                           | 8,000,000                | 8,000,000                | 8,000,000                                                         | –                          |
| <b>Category 3 – Series of transactions in excess of 5% of plan assets</b>                  |                           |                          |                          |                                                                   |                            |
| ABS Alpha Ltd. Global Equity Portfolio                                                     | 9,703,000                 |                          | 9,703,000                | 9,703,000                                                         |                            |
| C.S. McKee Core Fixed Income Fund                                                          | 9,600,837                 |                          | 9,600,837                | 9,600,837                                                         |                            |
| C.S. McKee Core Fixed Income Fund                                                          |                           | 250,000                  | 245,013                  | 250,000                                                           | 4,987                      |
| Ishares Barclays Aggregate Bond Fund                                                       |                           | 8,515,680                | 8,499,917                | 8,515,680                                                         | 15,763                     |
| Strategic Property Trust Fund of JPMC                                                      | 8,000,000                 |                          | 8,000,000                | 8,000,000                                                         |                            |
| Sanderson Intl. Value Group Trust Fund                                                     | 6,800,218                 |                          | 6,800,218                | 6,800,218                                                         |                            |
| Sanderson Intl. Value Group Trust Fund                                                     |                           | 69,024                   | 62,076                   | 69,024                                                            | 6,948                      |
| Vanguard Total Bond Market Index Fund                                                      | 2,720,718                 |                          | 2,720,718                | 2,720,718                                                         |                            |
| Vanguard Total Bond Market Index Fund                                                      |                           | 9,000,000                | 8,871,293                | 9,000,000                                                         | 128,707                    |
| Wells Fargo Bank Collateralized Instl Bank Deposit                                         | 23,710,732                |                          | 23,710,732               | 23,710,732                                                        |                            |
| Wells Fargo Bank Collateralized Instl Bank Deposit                                         |                           | 25,246,161               | 25,246,161               | 25,246,161                                                        | –                          |
| <b>Category 4 – Single transaction with the same person in excess of 5% of plan assets</b> |                           |                          |                          |                                                                   |                            |
| Ishares Barclays Aggregate Bond Fund                                                       |                           | 8,515,680                | 8,499,917                | 8,515,680                                                         | 15,763                     |
| ABS Alpha Ltd. Global Equity Portfolio                                                     | 4,700,000                 |                          | 4,700,000                | 4,700,000                                                         |                            |
| Sanderson Intl. Value Group Trust Fund                                                     | 6,800,218                 |                          | 6,800,218                | 6,800,218                                                         |                            |

There were no category 2 reportable transactions during 2012.

Columns for “Lease rental” and “Expense incurred with transaction” are not applicable.