

KAISER ALUMINUM SALARIED RETIREES ASSOCIATION
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Phone 925-685-1313
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June 5, 2007

Dear Kaiser Aluminum Salaried Retirees and Surviving Spouses,

This letter is being sent to you because you have not taken advantage of the help available to you in paying for a portion of your health care premiums each year. Payments made to date to each enrolled retiree family total up to \$2,000, made up of up to \$500 for the year 2005 and up to \$1,500 for the year 2006. The amounts available are usually announced in August of each year. We expect that these payments will be made to each enrolled family for their lifetime. The name of the program is the Kaiser Aluminum Salaried Retirees VEBA Plan, VEBA for short.

THERE IS NO REASON NOT TO ENROLL IN THE VEBA.

There is no cost to the retiree to enroll in this program. The program was established as the result of arrangements approved by the Bankruptcy Court during the reorganization of Kaiser Aluminum & Chemical Corporation. You are entitled to receive these annual reimbursements if eligible.

More than 80% of your fellow retirees have already, taken advantage of this plan and collected benefits. You can also participate, by enrolling in the plan as soon as possible so that you will be eligible to request a reimbursement for the year 2007. Prior year's payments cannot be claimed retroactively.

Perhaps you received mailings from the VEBA in the past and did not get around to enrolling in the plan. The mailings may have been confusing and so not acted upon. To assist you in your understanding of the Plan and to answer any questions that you might have, a number of your fellow retirees have agreed to be available to provide answers to you and to help in any way, to insure that you receive your yearly payments.

Here is what you should do to get your share of the VEBA Plan fund:

Take the self-addressed stamped post card that is included with this letter, fill in your name, address, and telephone number and email address, if you use email, and fold it over with our address showing, scotch tape it and drop it in the mail.

Contact any one of your fellow retirees on the attached page and ask them about the VEBA Plan. They have indicated that they would be happy to assist you in understanding the Plan and with any questions that you might have.

When we receive the post card with your name and address, we will mail you the Summary Plan Description, an Enrollment Form, and a Request For Reimbursement Form. When you receive the packet of information, please fill out the Enrollment Form and send it to the address indicated. Again, if you have any questions on filling out the forms, please contact one of our volunteers who will help out.

We of the Salaried Retirees Association are doing what we can to be sure that all who are eligible to enroll in the VEBA Plan. are aware of the benefits available to retirees and surviving spouses. Please do not pass up this opportunity to obtain a yearly reimbursement of your health care premiums, including your payment of Medicare costs, which are usually deducted from your Social Security monthly payments.

My best regards to you,

A handwritten signature in cursive script that reads "R. K. Kauffman". The signature is written in dark ink and is positioned below the closing of the letter.

Dick Kauffman
President
Kaiser Aluminum Salaried Retirees Association