

**Professional Unit Contract**



**COLLECTIVE BARGAINING  
AGREEMENT**

**Between**

**THE BOEING COMPANY**

**and**

**SOCIETY OF PROFESSIONAL ENGINEERING  
EMPLOYEES IN AEROSPACE, IFPTE LOCAL 2001**

**March 10, 2020 to Oct 26, 2026**

# **COLLECTIVE BARGAINING AGREEMENT**

dated March 10, 2020 between

THE BOEING COMPANY

and

SOCIETY of PROFESSIONAL ENGINEERING  
EMPLOYEES in AEROSPACE

*(Professional Bargaining Units)*



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**COMMITMENT TO SHARED VALUES**

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This Agreement is executed this 10<sup>th</sup> day of March, 2020, effective March 10, 2020, by and between The Boeing Company, a Delaware corporation having its principal place of business in Seattle, Washington (the “Company”), and Society of Professional Engineering Employees in Aerospace (“SPEEA” or the “Union”). The Union is the bargaining agent for the collective bargaining units described in Article 1 and the parties intend that this Agreement apply separately and respectively to each unit as if a separate Agreement had been executed as to each.

This agreement is a reflection of the parties’ commitment to these shared values:

- To maintain a respectful, cooperative relationship.
- To work together to further the mutual success of both parties: positioning Boeing for continued competitive success in the marketplace while enabling SPEEA to best represent and serve its members.
- To resolve issues, to the greatest extent possible, through a collaborative process, marked by open communication and respect for each other’s interests.

**Professional Unit**  
**ARTICLE 1**  
**RECOGNITION**

**Section 1.1 Recognition.** For the purposes of collective bargaining with respect to rates of pay and other conditions of employment, the Company recognizes the Union as the exclusive bargaining agent for the following collective bargaining units:

**1.1(a)** All persons working in the Company's plants in the State of Washington, including persons who are on travel status from such plants, who are classified by the Company in one of the classifications listed in Appendix B and including those persons assigned (other than on travel status) at Edwards AFB, California or Palmdale, California who are classified by the Company in one of the classifications listed in Appendix B. All full-time and regular part-time employees employed as Product Review Engineers, Boeing Salaried Job Code 6H6B, employed by the Company at the Boeing Flight Services Training Campus located in Miami, Florida, excluding all other employees and guards and supervisors as defined by the Act.

**1.1(b)** All employees of the Company working in the Company's plants located in Weber and Davis Counties, Utah, who are classified by the Company in one of the classifications listed in Appendix B; excluding all other employees, guards and supervisors as defined in the National Labor Relations Act.

**1.1(c)** All employees of the Company working in the Company's plants at the Boeing Atlantic Test Center, Florida, who are classified by the Company in one of the classifications listed in Appendix B; consistent with the Certification of Representative issued August 7, 1972, by the National Labor Relations Board in Case No. 12-RC-4117.

**1.1(d)** All employees of the Company working (other than on travel status) at the Company's Sandy Boulevard plant in Portland, Oregon who are classified by the Company in one of the classifications listed in Appendix B; excluding all other employees, guards and supervisors as defined in the National Labor Relations Act.

**1.1(e)** All professional engineering employees in the Company's Facilities and Safety, Health and Environmental Affairs (SHEA) organizations in the greater Puget Sound region of Washington and in Portland, Oregon; excluding all other professional employees employed in Facilities and SHEA, all guards and supervisors as defined by the National Labor Relations Act, and all other employees.

**Professional and Technical Units**

**ARTICLE 2**

**RIGHTS OF MANAGEMENT**

**Section 2.1 Rights of Management.**

**2.1(a)** The terms and conditions of this Agreement are minimum and the Company shall be free to grant more favorable terms and conditions and to pay salary rates higher than the salary ranges shown in Article 11 to any employee.

**2.1(b)** The management of the Company and the direction of the workforce are vested exclusively in the Company subject to the terms of this Agreement. Without limitation, implied or otherwise, all matters not specifically and expressly covered or treated by the language of this Agreement may be administered for its duration by the Company in accordance with such policy or procedure as the Company from time to time may determine.

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1 **Professional Unit**  
2 **ARTICLE 3**  
3 **GRIEVANCE PROCEDURE AND ARBITRATION**  
4

5 **Section 3.1 Grievance and Arbitration Procedure.** Grievances arising between the  
6 Company and its employees subject to this Agreement, or between the Company and  
7 the Union, with respect to the interpretation or application of any of the terms of this  
8 Agreement shall be settled according to the following procedure. Subject to the terms  
9 of this Article relating to cases of dismissal or suspension for just cause, or of involuntary  
10 resignation, only matters dealing with the interpretation or application of terms of this  
11 Agreement shall be subject to this grievance machinery.  
12

13 **Section 3.2 Employee Grievances.**

14  
15 **3.2(a)** Grievances on behalf of employees shall be handled as follows:  
16

17 **STEP 1. Oral Submission of Grievance to Supervisor.** The employee and,  
18 at his or her option, a Union Representative shall contact the employee's  
19 supervisor and shall attempt to effect a settlement of the grievance. Such oral  
20 presentation shall be made within ten (10) workdays following the occurrence  
21 of the event giving rise to the grievance. The supervisor shall, within five (5)  
22 workdays thereafter, provide to the employee the answer to the grievance.  
23

24 **STEP 2. Oral Submission of Grievance to Major Organization Management.** If  
25 the decision of the supervisor does not settle the grievance, the Union Representative  
26 shall within five (5) workdays subsequent to the receipt of the supervisor's answer,  
27 contact the Human Resources Director, or designee, of the Major Organization in  
28 which the employee is assigned for the purpose of arranging a meeting to discuss  
29 the grievance. The meeting will be held within five (5) workdays following such  
30 request and shall be attended by the Union Representative and the employee and  
31 appropriate Company Representatives. The Company's answer to the grievance  
32 shall be made within ten (10) workdays following such meeting.  
33

34 **STEP 3. Written Submission of Grievance to Company Representative.** If  
35 no settlement is reached, the Union Representative may immediately thereafter  
36 reduce a statement of the grievance to writing, which shall contain the following:  
37

- 38 (a) The detailed facts upon which the grievance is based.  
39  
40 (b) References to the section(s) of the Agreement alleged to have  
41 been violated. (This will not be applicable in cases of dismissal or  
42 suspension for just cause, or of involuntary resignation.)  
43  
44 (c) The remedy sought.  
45

46 The Union Representative shall submit such written grievance to the designated  
47 Company Representative within five (5) workdays following receipt of the answer  
48 provided in Step 2 above. After such submission the designated Company  
49 Representative and the Union Representative may, within the next ten (10)  
50 workdays, meet and settle the grievance, and over their signatures indicate the  
51 disposition thereof. Otherwise, promptly after the expiration of such ten (10)  
52 day period they shall sign the grievance indicating that the grievance has been  
53 discussed and reconsidered by them and that no settlement has been reached,  
54 and the designated Company Representative will promptly thereafter confirm in  
55 writing to the Union Representative the denial of the grievance.  
56

**STEP 4. Arbitration.** If no settlement is reached in Step 3 within the specified or agreed time limits, then either party may in writing, within ten (10) workdays thereafter, request that the matter be submitted to an arbiter for a prompt hearing as provided in 3.4 through 3.6.

**3.2(b)** Employees shall not be discharged or suspended without just cause. An employee shall have the right to appeal a layoff, discharge, suspension, or involuntary resignation by filing a written grievance through the Union, beginning at Step 3, with the designated Company Representative within ten (10) workdays after the date of such layoff, discharge, suspension, or involuntary resignation.

**3.2(c)** When the Union requests arbitration on behalf of bargaining unit employees who have been laid off, discharged, or suspended, or who have involuntarily resigned, the Company and the Union will exercise reasonable efforts to have the arbitration hearing within ninety (90) days of the request for arbitration.

### **Section 3.3 Union Versus Company and Company Versus Union Grievances.**

Grievances which the Union may have against the Company or the Company may have against the Union, limited as aforesaid to matters dealing with the interpretation or application of terms of this Agreement, shall be handled as follows:

**3.3(a)** Such grievances shall be submitted to the designated Company Representative or President of the Union, as the case may be, or to their designated representatives, within ten (10) workdays following the occurrence of the event giving rise to the grievance and shall contain the following:

- (1) Statement of the grievance setting forth in detail the facts upon which the grievance is based.
- (2) The section(s) of the Agreement alleged to have been violated.
- (3) The remedy sought.

**3.3(b)** The grievance shall be signed by the President of the Union or the designated Company Representative, as the case may be, or their designated representatives. If no settlement is reached within ten (10) workdays from the submission of the grievance to the designated Company Representative or the designated representative of the Union, as the case may be, both shall sign the grievance and indicate it has been discussed and considered by them and that no settlement has been reached and the party responding to the grievance will promptly confirm in writing to the other party the denial of the grievance. Within ten (10) workdays thereafter either party may in writing request that the matter be submitted to an arbiter for a prompt hearing as provided in 3.4 through 3.6.

**3.3(c)** No matter shall be considered as a grievance under this 3.3 unless it is presented to the designated persons within ten (10) workdays after occurrence of the last event on which the grievance is based.

**Section 3.4 Selection of Arbiter – from Arbitration Panel.** Contemporaneously with execution of this Agreement, the parties will agree upon a panel of nine (9) arbiters. The panel may thereafter be augmented upon the mutual agreement of the parties. Selection of an arbiter to hear a particular case shall be made from the panel on a strike-through basis. The parties in turn shall have the right to strike a name from the panel until only one name remains. The right to strike the first name from the panel shall be alternated between the parties on a case-by-case basis. For grievances arising from the employees in Miami, the parties will attempt to agree to an arbitrator from southern Florida and, if they are unable to do so, they will strike from this panel.

1 **Section 3.5 Selection of Arbitrator – by Agreement.** Nothing in 3.4 shall preclude the  
2 parties from mutually agreeing on an arbitrator to hear and decide a particular case.  
3

4 **Section 3.6 Arbitration – Rules of Procedure.** Arbitration proceedings shall be in  
5 accordance with the following:  
6

7 **3.6(a)** The arbitrator shall hear and accept pertinent evidence submitted by both  
8 parties and shall be empowered to request such data as the arbitrator deems pertinent  
9 to the grievance and shall render a decision in writing to both parties within sixty (60)  
10 days (unless mutually extended) of the completion of the hearing.  
11

12 **3.6(b)** The arbitrator shall be authorized to rule and issue a decision in writing on the  
13 issue presented for arbitration, which decision shall be final and binding on both  
14 parties.  
15

16 **3.6(c)** The arbitrator shall rule only on the basis of information presented in the hearing  
17 and shall refuse to receive any information after the hearing except when there is  
18 mutual agreement, in the presence of both parties.  
19

20 **3.6(d)** Each party to the proceedings may call such witnesses as may be necessary in  
21 the order in which their testimony is to be heard. Such testimony shall be limited to  
22 the matters set forth in the written statement of the grievance. The arguments of the  
23 parties may be supported by oral comment and rebuttal. Either or both parties may  
24 submit written briefs within a time period mutually agreed upon. Such arguments of  
25 the parties, whether oral or written, shall be confined to and directed at the matters  
26 set forth in the grievance.  
27

28 **3.6(e)** Each party shall pay any compensation and expenses relating to its own  
29 witnesses or representatives.  
30

31 **3.6(f)** The Company and the Union shall, by mutual consent, fix the amount of  
32 compensation to be paid for the services of the arbitrator. The Union or the Company,  
33 whichever is ruled against by the arbitrator, shall pay the compensation of the arbitrator  
34 including necessary expenses.  
35

36 **3.6(g)** The total cost of the stenographic record, if requested, will be paid by the  
37 party requesting it. If the other party also requests a copy, that party will pay one-half  
38 of the stenographic costs.  
39

40 **Section 3.7 Binding Effect of Award.** All decisions arrived at under the provisions of this  
41 Article by the representatives of the Company and the Union, or by the arbitrator, shall be final  
42 and binding upon both parties, provided that in arriving at such decisions neither of the  
43 parties nor the arbitrator shall have the authority to alter this Agreement in whole or in part.  
44

45 **Section 3.8 Time Limitation as to Back Pay.** Grievance claims regarding retroactive  
46 compensation shall be limited to thirty (30) calendar days prior to the written submission  
47 of the grievance to Company Representatives, provided, however, that this thirty (30) day  
48 limitation may be waived by mutual consent of the parties.  
49

50 **Section 3.9 Extension of Time Limits by Agreement.** The time limits set forth in  
51 this Article are recognized by the parties as being necessary for prompt resolution  
52 of grievances. Reasonable extensions of these time limits may be arranged by mutual  
53 written agreement. If a decision is not rendered by the Company within the time limits  
54 established for Steps I and 2, Section 3.2, the Union may thereupon advance the grievance  
55 to the next step. Grievances not presented, or presented and not pursued, within the  
56 specified or mutually extended time limits will be considered waived.

**Section 3.10 Conferences During Working Hours.** All conferences resulting from the application of provisions of this Article shall be held during working hours.

**Section 3.11 Signing Grievance Does Not Concede Arbitrable Issue.** The signing of any grievance by any employee or representative of either the Company or the Union shall not be construed by either party as a concession or agreement that the grievance constitutes an arbitrable issue or is properly subject to the grievance machinery under the terms of this Article.

**Section 3.12 Jurisdictional Disputes.** Any disputes where the Union contends either (1) that work performed by represented employees not within one of the units described in Article 1 should be performed by employees within one of said units, or (2) that represented employees not within one of the units described in Article 1 should be included within one of said units, shall not be subject to the grievance and arbitration provisions of Article 3. This Section 3.12 shall not apply to such disputes where the Union obtains the written consent of all other interested bargaining representatives to participate in and be bound by the decision of an arbitrator or panel of arbitrators.

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**Professional and Technical Units**  
**ARTICLE 4**  
**PERFORMANCE MANAGEMENT**

**Section 4.1 Performance Management Process.** The Union and the Company agree that many factors contribute to employee performance. The Performance Management Process provides a method for employees and management to determine individual performance goals, assess performance against those goals and performance values, and establish developmental plans to address performance needs or gain additional knowledge, skills and abilities as necessary.

**4.1(a)** Each employee, including new hires, and his or her supervisor will participate in periodic Performance Management discussions, which may be initiated by either party. Discussions should promote a mutual understanding of all factors that contribute to or are affected by performance, such as:

- Job assignment, responsibilities and expectations;
- The effect of performance on salary reviews;
- The effect of performance, knowledge, skills, abilities and other characteristics on retention ratings;
- Education and/or significant experience gained by the employee and related to his or her career progress within the Company; other assignments, skills, or classifications that the employee may be qualified to perform.

For newly hired employees, Performance Management discussions should be initiated as soon as possible and occur as frequently as necessary to ensure early alignment with organizational goals and objectives and performance expectations, encourage job progress and growth, and ensure a smooth transition into the workforce.

**4.1(b)** The Performance Management Process consists of four activities: goal setting, coaching and feedback, assessing performance and employee development.

**4.1(b)(1)** "Goal setting" consists of documenting job responsibilities and establishing individual performance goals and objectives, based on previously communicated organizational business goals and objectives.

**4.1(b)(2)** "Coaching and feedback" consists of the following:

- Ongoing discussions that provide valid, constructive, performance-based feedback related to goal attainment and/or performance values,
- Frequent and focused coaching interactions between employees and supervisors,
- Encouraging further development of those employees who meet or exceed expectations, and
- Provide feedback to help those who are falling short to identify and overcome impediments to their success.

**4.1(b)(3)** "Performance assessment" consists of an ongoing communication and assessment of previously defined job responsibilities and performance

goals and objectives as well as the performance values. Assessment results from each review shall be recorded in the Company Performance Management record system. Employees are responsible for continuously updating their plan as goals and objectives change.

**4.1(b)(4)** "Employee development" is a discussion and coaching process to help employees and managers work together to enhance the employee's knowledge, skills and abilities to meet current and future business needs. Additionally, it provides a mechanism to support the development of skills and abilities so that each employee has the opportunity to develop professionally and personally.

**4.1(c)** Each employee will have at least one (1) interim review for coaching and feedback and one (1) performance assessment review during each twelve-month period. Employee and supervisor are encouraged to conduct additional interim reviews as often as appropriate.

**4.1(d)** In the final assessment review meeting, overall performance is assessed, summarized, and documented. This meeting will include a discussion regarding the assessment's relationship to the salary review and retention index review processes. Managers with employees on a cross training, rotational or other temporary assignment should contact appropriate managers to solicit input, as applicable.

**4.1(e)** Performance Management sessions (goal setting and assessment reviews) shall be scheduled to maximize their utility in salary and retention rating decisions.

**Section 4.2 Performance Management Form.** Forms used in the Performance Management Process shall be the same for all SPEEA-represented employees and consistent with the established processes used by the Company.

**Section 4.3 Process Revision.** The Performance Management process and utilization will be reviewed jointly in each year of this Agreement through the Joint Workforce Committee in accordance with Attachment 6. Changes to the Performance Management Process are subject to the approval of both parties.

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**Professional Unit**  
**ARTICLE 5**  
**VACATION PLAN**

**Section 5.1 General.** Reasonable time away from the job is conducive to good health and well being and is considered in the best interest of the employee and the Company. Each employee should have the opportunity to schedule and take vacation each year and thereby use their vacation credits, allowing adequate staffing for Company operations.

**Section 5.2 Accumulation of Vacation.**

**5.2(a)** Vacation credits are accrued daily and awarded weekly, with credits increasing on the basis of established increments as follows:

Beginning Year of Company Service	Annual Hours
0	80
1 to 4	96
5 to 9	120
10 to 14	136
15 to 24	160
25 or more	176

Company service date will be used to determine the credits to be awarded. Vacation credits may accumulate to a maximum of two (2) years of credit (as determined from above schedule). No additional vacation credits will be accrued until the number of credits in the account drops below the two (2) year maximum. Deviations to the two (2) year maximum accrual must be approved by the business unit Compensation organization.

Vacation credits will not be accrued in excess of ninety (90) calendar days on a leave of absence.

**5.2(b)** Part-time employees are awarded vacation credits in accordance with the above schedule on a pro-rata basis. Vacation credits will be prorated based on hours paid (excluding overtime and short-term disability leave payments).

**5.2(c)** Vacation accounts will be maintained to the nearest tenth of an hour unit.

**Section 5.3 Use of Vacation Credits.**

**5.3(a)** Subject to management approval based on Company work schedule requirements, previously awarded vacation credits may be used by the employee without limit. Management will encourage employee use of vacation for time off within the period credits are available. Use of vacation at times convenient to the employee will be arranged to the extent permitted by Company work schedule requirements.

**5.3(b)** Vacations are to be taken as time off and there will be no pay in lieu of time off.

**5.3(c)** Subject to 5.3(d), vacation credits must be used in units equal to the scheduled hours in the employee's normal workday.

**5.3(d)** Part-time employees normally will use vacation credits in amounts comparable to their part-time work schedules. However, subject to the scheduling requirements of his or her organization, a part-time employee may request and receive vacation in eight (8) hour increments.

**5.3(e)** Holidays occurring while an employee is on vacation are not deducted from vacation credits.

**5.3(f)** Payment for vacations will be made at the employee's base rate in effect at the time vacation is taken plus, if applicable, any supplement to the base rate approved by the Company for inclusion in vacation pay.

**5.3(g)** An employee on leave of absence is eligible to use vacation credits.

**Section 5.4 Vacation Pre Load.** Employees hired or rehired into the Company will have their vacation account credited with one half their annual vacation accrual. Those hours may be used subject to 5.3(a). Normal vacation accrual will commence after six (6) months of employment.

**Section 5.5 Vacation Payment on Termination.** An employee who terminates for any reason will be paid for all unused credits in his or her vacation account and all accrued vacation through the last day worked.

**Section 5.6 Vacation Credits When Payroll Is Changed.** In all cases involving the transfer of an employee from one payroll to another, the provisions of the Company's procedures pertaining to vacations, as may be revised from time-to-time by the Company, shall be applicable.



**Professional and Technical Units**  
**ARTICLE 6**  
**SICK LEAVE, BEREAVEMENT LEAVE and FAMILY ILLNESS**

**6.1 Purpose and Benefit of Sick Leave Hours.**

Generally, sick leave is provided to help prevent a loss of wages when absent from work for one or more of the following reasons:

- Illness of employee, including physical incapacity of a female employee due to her pregnancy.
- Illness or injury in the family (requiring the employee's presence).
- Death in the family (includes domestic partner) to attend the funeral or deal with matters related to the death. Management may grant up to 3 days of absence with pay, pursuant to the Company guidelines, should the employee's various sick leave accounts and vacation balance be depleted.
- Medical or dental appointment which can be scheduled only during the working hours.
- Disability related to childbirth.
- Any purpose that is required under applicable federal, state, or local law or authorized by applicable Company policy or procedure (currently described in the Company's Paid Time Away From Work Policy Handbook), as modified from time-to-time by the Company in its discretion.

**6.2 Definitions and Sick Leave Accrual Rates.**

- **Sick leave eligibility/anniversary date** - date on which an employee begins to accrue sick leave hours each year. This is the anniversary of the employee's last start date.
- **Current sick leave account** – an account in which current year awarded sick leave hours are accumulated, maintained and used.
- **Unused sick leave account** – an account in which sick leave earned but not used from previous years is accumulated and is maintained for use as needed. These hours accumulate from year to year without limit to the total number of accumulated hours.

**6.3 Award, Accumulation and Maintenance of Sick Leave Hours.**

- **Award** – On an employee's hire date and annually on their sick leave eligibility date, employees are awarded 80 hours of sick leave. These awarded hours are available for use in the Current Sick Leave Account.
- **Accumulation** – On the eve of an employee's sick leave eligibility date, or at termination of employment, half of their Current Sick Leave balance will be dropped and the remainder will be transferred to their Unused Sick Leave account. Employees will not forfeit sick leave hours where prohibited by law.
- **Maintenance of Current Sick Leave Account** – When this account is zeroed out upon the employee reaching his or her eligibility date, a new sick leave award period starts.

- **Maintenance of Unused Sick Leave Account** – When half of the Current Sick Leave Balance is transferred to this account, the balance is accumulated and maintained in this account. Sick leave hours are used as needed, and there is no maximum balance limit. 1  
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- **Other Accrual Provisions (Full-Time Employees)** 6  
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  - When an employee is on a leave of absence for 90 days or less, 80 hours of sick leave will be awarded on the sick leave eligibility date. 8  
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  - When an employee is on a leave of absence greater than 90 days, 24 hours of sick leave will be awarded on the sick leave eligibility date. Upon return to work, employees will receive a prorated sick leave award for the remaining days until their next sick leave eligibility date, less the 24 hours that were previously awarded. 11  
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  - Eligibility dates and accumulated sick leave credits established prior to this Agreement will not be changed as a result of this Agreement. 17  
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  - **Part-Time** - Part-time employees are awarded 24 hours of sick leave on their sick leave eligibility date and then accrue sick leave hours based on hours paid (excluding overtime and applicable bonus hours, Financial Security Plan [FSP], and Short Term Disability payments). The maximum annual award rate is 80 hours, and the various accounts, Current Sick Leave Balance and Unused Sick Leave Balance, are accumulated and maintained as described above as to full-time employees. 20  
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**6.4 Use of Sick Leave Hours.** 27  
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When using sick leave hours, the various sick leave accounts will be charged in the following order: 29  
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1. Current sick leave account 32  
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2. Unused sick leave account 35  
36
3. Any accrual under a collective bargaining agreement that provides for usage upon leaving the unit 37  
38  
39
4. Financial Security Plan (at the employee’s option) 40  
41

**Full Time Exempt** 42  
43

- **If the employee is absent for a full day**, employees must use hours equal to scheduled workday hours as reflected in the ETS baseline work schedule. 44  
45
- **If the employee is absent for a partial day**, employees may use personal time off with pay for incidental medical absences that can’t normally be scheduled outside the employee’s ETS baseline work schedule. (ETS code for this is “Non-Industrial Illness”) 46  
47  
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**Full Time Non-Exempt** 52  
53

- Employees shall use sick leave hours equal to the scheduled workday hours as reflected in the ETS baseline work schedule or in partial day 54  
55  
56

1 increments. Employees who have no accrued sick leave hours in their  
2 unused or current sick leave accounts may charge these authorized  
3 absences to vacation hours or personal time off without pay. (personal  
4 time off with pay is not authorized.)  
5

6 **Part-time**

- 7
- 8 • Employees shall use sick leave hours equal to scheduled workday hours  
9 or may request and use sick leave hours in eight (8) hour increments. ETS  
10 will allow partial day increments for part-time employees.  
11

12 **6.5 Financial Security Plan (FSP).**

13

14 **6.5(a) Continuation of Plan.** Subject to the continuing approval of the Commissioner  
15 of Internal Revenue and of other cognizant governmental authorities, as more  
16 particularly hereinafter specified, a Financial Security Plan (the "Plan") in the form as  
17 now in effect as to the employees within the units to which this Agreement relates  
18 shall continue to be effective while this Agreement is in effect as to such employees in  
19 accordance with and subject to the terms, conditions and limitations of the Plan. No  
20 new contributions will be made to the Financial Security Plan with respect to Members  
21 after December 22, 2005. All other features of the Plan shall remain in place including,  
22 but not limited to, the ability to direct investments and the rules regarding distributions.  
23

24 **6.5(b) Approval of Plan.** Approval of the Plan by the Commissioner of Internal  
25 Revenue as referred to in 6.5(a) means a continuing approval sufficient to establish that  
26 the Plan and related trust(s) are at all times qualified and exempt from income tax under  
27 Section 401(a) and other applicable provisions of the Internal Revenue Code of 1986.  
28

29 **6.5(c) Accrued Benefit.** An employee who has an accrued benefit under the  
30 Financial Security Plan shall retain such accrued benefit under the Plan subject to the  
31 current provisions of the Plan.  
32

33 **Section 6.6 Unused Sick Leave.** Upon retirement under the Company's retirement  
34 plan or upon termination (except for cause) while retirement eligible employees will  
35 receive payment for fifty percent (50%) of their unused sick leave balance account hours  
36 remaining on the date of termination. If eligible for payment, one half of the Current Sick  
37 Leave Balance remaining after current year usage will be moved to the Unused Sick Leave  
38 Balance account and paid as defined above. Such hours will be paid at the employee's  
39 then-current base rate, subject to a maximum rate that is established from time-to-time  
40 by the Company for all salaried employees.  
41

42 **Section 6.7 Legal Requirements.**

43

44 **6.7(a) Governing Law** If either state or federal laws or regulations are passed that are  
45 inconsistent with the existing Sick Leave benefits, the Company will administer sick  
46 leave in accordance with the applicable law.  
47

48 **6.7(b) Statutory Paid Family and Medical Leave Laws.** In the event any other  
49 governing body within the states of California, Oregon, or Utah enacts a mandatory  
50 paid family and medical leave law, the Company will implement the law consistent  
51 with its practices for non-union employees notwithstanding any provisions in said law  
52 permitting the Company to defer implementation until expiration or renegotiation of  
53 any applicable collective bargaining agreement.  
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**Professional Unit**

**ARTICLE 7**

**HOLIDAYS**

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**Section 7.1 Dates on Which Observed.** Holidays observed during the term of this agreement are identified in Appendix A.

For the period following, Monday, September 7, 2026 through the remaining effective period of this Agreement, the holidays to be observed under the terms of this Article shall be those holidays scheduled and observed by the Company.

**Section 7.2 Holiday Practices.** Practices relating to the observance of the holidays referred to above will be administered in accordance with the established procedures of the Company.

**Section 7.3 Employees Prevented from Working Because of Local Holidays.** Employees assigned to a non-Company facility who are prevented from working their assigned work period because a holiday not listed in Appendix A is recognized at the facility shall be paid for such assigned shift unless the Company, at its option, modifies the work schedule for the week in which the holiday falls so that the employees are able to work a full work week. In all cases hours worked on scheduled days of rest will be treated as scheduled overtime under 11.2.

**Professional Unit**  
**ARTICLE 8**  
**WORKFORCE ADMINISTRATION**

**Section 8.1 Employees to Whom This Article is Applicable.**

This Article, subject to 8.8(c), applies and refers separately to employees within each of the four (4) bargaining units described in Article 1, except that (1) the provisions of Article 8 shall be applied separately to Edwards AFB, California and Palmdale, California combined, and (2) an employee at Edwards AFB or Palmdale who has transferred to either California assignment from a SPEEA-represented position in Washington will be treated for purposes of eligibility for retention at Washington as though surplusd from the Major Organization with which the employee was identified immediately prior to transfer to Edwards AFB or Palmdale and in accord with the retention provisions of this Agreement. The provisions of Article 8 shall be applied separately to employees in Miami, Florida.

**Section 8.2 Objective.** The general objective of the procedure stated in this Article is to provide for the accomplishment of workforce reductions for business reasons, to the end that, insofar as practicable the reductions will be made equitably, expeditiously and economically, and at the same time will result in retention on the payroll of those employees regarded by management as comprising the workforce that is best able to maintain or improve the efficiency of the Company, further its progress and success and contribute to the successful accomplishment of the Company's current and future business. The location, occurrence and existence of any condition necessitating a workforce reduction, and the number of employees involved, will be determined exclusively by the Company. Following such determination, the Company will notify the Union of the location and the estimated size and job family and skills management code(s) involved in the anticipated workforce reduction. Wherever practicable, affected employees will be given two (2) weeks' notice prior to layoff and will receive consideration for open positions in accordance with Section 8.7.

It is recognized by both parties that it is necessary to work certain skill coded employees overtime while at the same time workforce reductions involving the same skill codes will be taking place. Management will review the use of overtime in any skill code in which layoffs are contemplated with the intent of minimizing the use of such overtime. Management, at its sole discretion, will determine the level of overtime to be worked.

**Section 8.3 Definitions**

**8.3(a) "Job Classification."** The term refers to a job that the Company defines with a six digit alphanumeric code as set forth in Article 22.

**8.3(b) "Skills Management Code."** Skills Management Code is referred to throughout this Article as "SMC." SMCs identify unique knowledge, skills, abilities, and environments within the job family.

**8.3(c) "Major Organization."** The term means a major organizational element of the Company reporting to the Chief Executive Officer of The Boeing Company or identified as such by the Chief Executive Officer of The Boeing Company. The units described in 1.1(b), 1.1(c), and 1.1(d), although not identified as Major Organizations, will be administered as such, with the exception of 8.5(a)(4). The Company shall provide to the Union in writing a current list of Major Organizations and advise the Union as soon as practicable of changes made thereto.

**8.3(d) "Surplus."** The term refers to a condition in which the Company determines that the assigned number of individuals exceeds the needs of the activity, project,

program or organization to which the individuals are assigned. A surplus may or may not result in layoffs. To the extent deemed practicable by the Company, surpluses will be resolved by placing individuals in other assignments.

**Section 8.4 Retention Indexing/Ratings.** Each employee will be assigned by the Company a comparative rating as follows, giving consideration to each employee's competence, diligence and demonstrated usable capabilities based upon the employee's current performance and a review of the employee's previous performance.

The individual rating will be referred to as a "retention rating," and the process of applying these ratings and compiling them in order of rating, as retention indexing.

Retention ratings assigned to employees prior to the execution date of this Agreement will remain in effect until changed under the provisions of this Article.

**8.4(a) Frequency.** A retention index review will be held at least six (6) times during the term of this Agreement and not less frequently than once each twelve months following the execution date of this Agreement, with the precise intervals to be determined by the Company. The Company will attempt to complete retention index reviews as near as practicable to completion of the final review phase of the Performance Management process.

**8.4(b) Retention Group Make-up.** Retention index groups shall be comprised of employees with identical SMCs. Employees with identical SMCs are to be grouped so as to keep to the lowest practicable minimum the number of separate groups in each Major Organization. All the employees in a retention index group shall be in the same Major Organization.

**8.4(b)(1)** Employees on part-time work schedules as defined in Letter of Understanding entitled "Part-time Employment" will be retention indexed with employees on full-time work schedules. Length of Company service will be a positive factor to the extent that the experience so gained continues to be reflected in increased capability.

**8.4(b)(2)** An employee hired into a unit who has less than two (2) years of directly applicable work experience will not be included in or subject to the retention index review and will not be assigned a retention rating until (1) management is able to evaluate the employee's capability and elects to assign the employee a retention rating, or (2) a period of twelve (12) months from the employee's date of hire into the unit, whichever occurs first. During times of surplus, management will attempt to evaluate these employees relative to their peers and assign an appropriate retention rating.

**8.4(c) Review Process.** The Company will determine the retention rating of each employee, the members of management who will participate in retention index reviews, the retention index groups to be used, the timing, and the other mechanics and details of such reviews. The Company will instruct and periodically will reinstruct members of management participating in the process to assign retention ratings with the greatest possible care and objectivity, giving full consideration to the objectives stated in 8.2 and 8.4. Such instructions will stress that retention indexing is to be accomplished without regard to potential adjustments for Company service as provided for in 8.4(f). It is recognized that any practicable process of retention indexing cannot be completely free of error as to method used or as to resulting retention ratings, taking into account: the large numbers of employees, skills, organizations, and requirements involved; the fact that numerous management

1 representatives necessarily must participate in the process; and the additional facts  
2 that professional employees are involved and many of the factors that must be  
3 dealt with are intangible in nature. Managers with employees on a cross training,  
4 rotational, or other temporary assignment should contact appropriate managers to  
5 solicit input, as applicable.  
6

7 **8.4(d) Distribution.** Retention indexing will result in each employee being rated in  
8 one of three (3) categories, hereinafter referred to as R1, R2 and R3. Each employee will  
9 be assigned a retention rating such that, as nearly as is mathematically practicable, the  
10 retention rating distribution for each SMC within each retention index group is R1 – 38  
11 to 42%, R2 - 38 to 42% and R3 - 18 to 22%. Employees classified as Technical Fellows  
12 and Associate Technical Fellows shall not be subject to those distribution requirements.  
13

14 Since personnel transactions will occur subsequent to each periodic review, it shall not  
15 be necessary to maintain this distribution during intervals between periodic reviews.  
16

17 **8.4(e) Designating Employees as Ineligible for Priority Recall Consideration.**  
18 Designated employees will be identified as part of the retention indexing process and  
19 advised in writing via the retention rating notification per 8.4(g) that, in the event of  
20 layoff during the period of time between retention index reviews, they will have no  
21 priority recall consideration.  
22

- 23 • Designated employees must have an assigned R3 retention rating.
- 24 • Designated employees will be identified by skill teams.
- 25 • Designated employees who have one full year of service and who elect to  
26 receive income continuation benefits under 21.3(a)(1) will nevertheless be  
27 ineligible for priority recall consideration.  
28  
29  
30

31 Employees who have been so designated will be provided with an Employee  
32 Improvement Action Plan which will identify the specific conditions leading to  
33 the designation and improvements necessary to avoid such designations in the  
34 future. Management and the employee will have on-going discussions about the  
35 employee's progress in achieving the objectives outlined in the action plan. The  
36 Company will promptly notify the Union of the identities of designated employees.  
37 The identification of designated employees shall not be subject to Article 3; however,  
38 designated employees may appeal the designation regardless of their previous  
39 retention rating in accordance with 8.4(h).  
40

41 Designations will remain in effect until the next scheduled retention index review  
42 exercise or the employee's designation is reevaluated per 8.6(b)(3) prior to layoff.  
43

44 **8.4(f) Adjustments for Company Service.** As a part of each periodic retention index  
45 review, and immediately following completion of the distribution procedure set forth  
46 in 8.4(d), adjusted retention ratings will be assigned in compliance with the following:  
47

48 Employees with twenty (20) or more years of Company service whose assigned  
49 retention rating is R3 will be given an adjusted retention rating of R2.  
50

51 Employees with thirty (30) or more years of Company service whose assigned retention  
52 rating is R2 will be given an adjusted retention rating of R1. Such adjustments will be  
53 reflected in the written notification to each employee described in 8.4(g). (Employees  
54 who reach the aforementioned Company service dates between periodic retention  
55 index reviews will receive an adjusted retention rating accordingly.)  
56

Employees may elect to temporarily waive any service adjustment by sending a digitally signed email to their Skill Captain stating their desire to waive their adjusted rating. The waiver of the service adjustment will remain in place until the next periodic retention index review.

The adjusted retention rating shall apply as regards the layoff sequence described in 8.5. Employees designated pursuant to the process described in the 8.4(e) for two (2) consecutive retention index reviews will not be eligible for service adjustments upon receipt of the second designation. Such employees may appeal their designation using the process described in 8.4(h).

**8.4(g) Employee Notification.** Following each periodic retention index review, the Company will provide each employee with a written notification of the employee's retention rating not later than the effective date, except where such a schedule is made impracticable due to the unavailability of the employee or the supervisor occasioned by vacations, travel assignments, etc. In such circumstance the notification will be given as soon as practicable. In addition, management will offer to discuss the new retention rating with employees. The written notification will contain the following elements:

- The employee's job classification and SMC,
- The employee's assigned retention rating and adjusted rating, if any, under 8.4(f),
- The effective date of the retention rating,
- The number of employees in each of the three (3) retention rating categories as adjusted under 8.4(f) within the employee's Retention Index Group as defined in 8.4(b),
- The Assessment Criteria used for the employee's job classification and SMC,
- The name of the member of management who chaired the review (Skill Captain),
- The notice to an employee who is identified by their skill team as designated per 8.4(e) shall include the following statement: "**Designated:** In the event of layoff during the period of time between this retention rating effective date and the next you will have no first consideration recall rights."

**8.4(h) Retention Rating Appeals.** The retention indexing process will not be subject to the grievance procedure; however, an employee who feels the retention rating assigned during the periodic retention index review is inappropriate may at any time discuss the matter with his or her immediate supervisor. If within 30 calendar days following notification of the assigned retention rating, the employee elects to appeal the rating, and discussion with the immediate supervisor has not resolved the employee's concern, certain ratings may be appealed for further review as provided below:

**8.4(h)(1)** The assigned retention rating represents a one or more position drop from the previous assigned rating and it is substantiated that the drop is not due to the effect of a workforce reduction and/or consolidation of retention index groups.

**8.4(h)(2)** The employee has remained in the same skills management code and been assigned a retention rating of R3 during four (4) or more consecutive retention reviews.

**8.4(h)(3)** Employees designated pursuant to 8.4(e) may appeal their designation regardless of their previous retention rating.



1 **8.4(h)(4)** The employee so affected will address his or her concerns in writing to  
2 the Union setting forth the basis for such appeal.  
3

4 **8.4(h)(5)** If the Union believes the employee's appeal warrants further review,  
5 the Union will notify the Enterprise Senior Workforce Manager within ten (10)  
6 workdays of receipt of the employee's appeal.  
7

8 **8.4(h)(6)** Within ten (10) workdays following such notice, a Skill Team/  
9 Functional Human Resources Representative, either a Workforce or Employee  
10 Relations Representative and a Union Representative will meet to resolve the  
11 appeal. The Union may elect between the Workforce or the Employee Relations  
12 organization. Pertinent information may be obtained from the employee, the  
13 immediate supervisor, and/or the Skill Captain for this meeting.  
14

15 **8.4(h)(7)** The parties identified in 8.4(h)(6), above, will resolve the appeal by  
16 majority decision at the meeting or within five (5) workdays thereafter. In the event  
17 the Union considers the decision to be inappropriate to the facts of the case, the  
18 Union may advance its appeal to the Enterprise Senior Workforce Manager. Such  
19 resolution by majority decision or by decision of the Enterprise Senior Workforce  
20 Manager will be final and binding and will conclude the appeal process.  
21

22 **8.4(h)(8)** If the result of an appeal over a two-position drop in retention rating  
23 is in favor of the employee, one of the following options may be selected as  
24 determined by Company and Union representatives:  
25

- 26 • Restoration to the previous retention rating of R1, or
- 27 • Modification of the assigned retention rating to R2.

#### 30 **8.4(i) Out-of-Sequence Retention Ratings.**

31 **8.4(i)(1)** An employee hired into a unit who has less than two (2) years of directly  
32 applicable work experience who has not been assigned a retention rating or who  
33 was excluded from the periodic retention index review may remain without an  
34 assigned retention rating until (1) management is able to evaluate the employee's  
35 capability and elects to assign the employee a retention rating, or (2) a period  
36 of twelve (12) months from the employee's date of hire into the unit, whichever  
37 occurs first. During times of surplus, management will attempt to evaluate these  
38 employees relative to their peers and assign an appropriate retention rating.  
39  
40

41 **8.4(i)(2)** An employee who returns to active employment from layoff status  
42 or leave of absence will retain the job family and skills management code and  
43 retention rating held at time of layoff or leave of absence until such time as  
44 management is able to evaluate the employee's capability and elects to assign  
45 the employee a new retention rating.  
46

47 **8.4(i)(3)** An employee transferred between the bargaining units described in  
48 1.1(a), 1.1(b), 1.1(c), and 1.1(d) will be regarded as having the retention rating held  
49 immediately prior to the transfer, until such time as management is able to evaluate  
50 the employee's capability and elects to assign the employee a new retention rating.  
51

52 **8.4(i)(4)** Employees entering a unit other than as described in 8.4(i)(1), 8.4(i)  
53 (2), and 8.4(i)(3), and those employees whose job family and skills management  
54 codes are changed, will receive new retention ratings within the six-month  
55 period following the date of such entrance or change. Prior to receiving the  
56

new ratings, employees whose job family and skills management codes were changed will be regarded as having the retention ratings held immediately prior to the job family and skills management code change.

## Section 8.5 Redevelopment Procedures.

### 8.5(a) Application.

**8.5(a)(1)** When a workforce reduction is determined by management to be necessary within one or more job family and skills management codes in a Major Organization, management will follow the applicable provisions of Article 9 and designate for layoff the required number of employees in the Major Organization within such job family and skills management codes with R3 retention ratings. Exceptions to the designation for layoff of R3 rated employees may be made by the Company, where it desires to retain certain R3 rated employees in such job family and skills management codes in the Major Organization, as long as the number of R3 rated employees so retained in each affected job family and skills management code in the Major Organization does not exceed 10% or one (1) employee, whichever is greater, of the number of employees rated R3 in the Major Organization within the job family and skills management code at the most recent periodic indexing.

**8.5(a)(2)** If, after application of the procedures and exceptions stated in 8.5(a)(1), a necessity for workforce reduction continues to exist in any such job family and skills management codes in the Major Organization, management will designate for layoff the required number of employees in the Major Organization within such job family and skills management codes with R2 retention ratings. Exceptions to the designation for layoff of R2 rated employees may be made by the Company, where it desires to retain certain R2 rated employees in such job family and skills management codes in the Major Organization, as long as the number of R2 rated employees so retained in each affected job family and skills management code in the Major Organization does not exceed 10% or one (1) employee, whichever is greater, of the number of employees rated R2 in the Major Organization within the job family and skills management code at the most recent periodic indexing.

Rounding under 8.5(a)(1) and 8.5(a)(2) is permitted within the following parameters:

No. of Employees	Parameter
1 to 14	One (1) employee may be subject to the 10% exception
15 to 24	Two (2) employees may be subject to the 10% exception
25 to 34	Three (3) employees may be subject to the 10% exception; etc.

**8.5(a)(3)** If, after application of the procedures and exceptions stated in 8.5(a)(2), a necessity for workforce reduction continues to exist in any such job family and skills management codes in the Major Organization, the reduction will be accomplished by transferring a sufficient number of the assigned R1 retention rated employees as selected by management in the Major Organization within such job family and skills management codes to another Major Organization(s) within the same labor market area, thereby displacing R3 rated employees in such job family and skills management codes in the latter Major Organization(s) who will in turn be designated for layoff. Then, to the extent necessary, R2 rated employees

1 in such job family and skills management codes in the latter Major Organization(s)  
2 will be displaced and designated for layoff. The latter Major Organization(s) will  
3 have the right to retain in each affected job family and skills management code  
4 not to exceed 20% of its R3 rated employees in each such job family and skills  
5 management code and not to exceed 40% of its R2 rated employees in each such  
6 job family and skills management code. To determine the number of employees  
7 that may be retained by the latter Major Organization(s), these percentages are  
8 to be applied respectively to the number of R3 rated employees and R2 rated  
9 employees that were within the particular job family and skills management code  
10 in the latter Major Organization(s) at the most recent periodic indexing.

11  
12 **8.5(a)(4)** If, after application of the procedures and exceptions stated in 8.4(f),  
13 8.5(a)(1), 8.5(a)(2), and 8.5(a)(3) if applicable, a necessity for workforce reduction  
14 continues to exist in any of the job family and skills management codes in the  
15 Major Organization where the reduction originated, the Company will have  
16 the right to select, designate and lay off any of the remaining employees in the  
17 affected job family and skills management codes within the units described  
18 in 1.1(a), 1.1(b), 1.1(c), and 1.1(d) irrespective of their retention rating, Major  
19 Organization or any other factor.

20  
21 **8.5(b)** Nothing in this Article is intended to preclude management from using  
22 other actions, such as employee transfers, reclassifications, reassignments or  
23 combinations thereof which are not inconsistent with the terms and conditions set  
24 forth in this Agreement, in order to avoid or reduce the necessity to initiate or carry  
25 out workforce reductions.

26  
27 **8.5(c)** Employees laid off after refusing less than equivalent job offers made as a  
28 result of redeployment activities will be considered involuntary layoffs and will be  
29 eligible for layoff benefits as defined in Article 21.

30  
31 **8.5(d)** During periods of surplus activity, the Company may make available programs  
32 intended to mitigate the impact of layoffs. The Company will advise the Union of  
33 these programs and their availability.

34  
35 **8.5(e)** Employees on travel status may not be laid off while on such status. Such  
36 employees shall not be counted among or reduce the number of exceptions  
37 permitted by the provisions of 8.5 nor shall their retention rating prevent the layoff  
38 of employees with higher retention ratings who are otherwise subject to such action.

39  
40  
41 **8.5(f) Exceptions to Foregoing Procedures.**

42  
43 **8.5(f)(1)** The Company may lay off employees from the unit without regard  
44 to the provisions of this procedure, provided the number of such layoffs per  
45 month does not exceed 0.25% (one quarter of one percent) of the total number  
46 of employees employed in the bargaining unit on the first day of that month.

47  
48 **8.5(f)(2)** In instances where, in the opinion of management, the foregoing procedures  
49 set forth in 8.5 do not achieve the Company objectives stated in 8.2, exceptions  
50 hereto, without any limitation as to number, may be made when approved by the  
51 Chief Executive Officer of the Company, or designated representative. It will be the  
52 responsibility of any supervisor who recommends such an exception to prepare  
53 and transmit through the line organization to the Major Organization Manager,  
54 and then to the Office of the Chief Executive Officer of the Company or designated  
55 representative, a detailed report of the proposed exception(s) and the reasons  
56 therefore. An explanation, prior to implementation, will be provided to the Union.

## Section 8.6 Layoff Status and Return to Active Employment.

### 8.6(a) Maintenance of Layoff Status.

**8.6(a)(1)** Each employee laid off under the provisions of this Article will remain on layoff status for a total period of three (3) years from the date the layoff was effective, subject to 8.6(a)(3).

**8.6(a)(2)** The Company will maintain a list of the names of all laid off employees, except those determined ineligible under 8.6(b)(3), those who have received layoff benefits as a lump sum under 21.3(a), and those identified under 8.4(e).

**8.6(a)(3)** An employee shall remain on layoff status for recall consideration and layoff benefits in accordance with 8.6(a)(1), provided he or she does not:

**8.6(a)(3)a** Reject consideration for employment, for example, fail to respond to a Company contact, letter of interest, request to update Conflict of Interest status, or a formal offer from the Company of a job within ten (10) workdays after such contact by the Company or by such later date as may be stipulated by the Company, or the Company was unable to contact the laid off employee due to non-existent or inaccurate contact information on record in Workday and the Company's Employment Staffing System, or

**8.6(a)(3)b** Refuse a formal offer from the Company for a full-time job in the same labor market area from which laid off, for which the salary offered is equal to or greater than the employee's salary at the time of layoff plus any contractual minimum wage increases that were applied during the time period between layoff and recall, or

**8.6(a)(3)c** Fail to report to work within ten (10) workdays following acceptance of a formal Company offer or on such later date as may be stipulated in the Company offer, or

**8.6(a)(3)d** Elect retirement under the Company Retirement Plan thereby removing themselves permanently from layoff status.

**8.6(a)(4)** Employees removed from layoff status for any reason other than retirement or expiration of the three-year period following layoff will be notified in writing of such removal, and the reasons therefore, by the Company.

**8.6(a)(5)** Laid off employees who are prevented from meeting the conditions described in 8.6(a)(3)a, 8.6(a)(3)b, 8.6(a)(3)c, or 8.6(b)(4) solely due to medical disability, verified to the Company's satisfaction by their personal physician, shall upon request be granted a waiver for the missed requirement(s).

**8.6(a)(6)** If any employee on layoff status disputes his or her recall status as reflected in Company records, Company records shall prevail unless the employee can produce proof of registration pursuant to 8.6(b)(4).

**8.6(a)(7)** If an employee with priority recall status accepts a formal offer from the Company for a full-time job within the bargaining unit or in the same labor market area from which laid off, and the salary offered is not equal to or greater than the employee's salary at the time of layoff, the employee shall have the option to retain his/her eligibility for priority consideration for the balance of three (3) years from the date he/she was laid off, provided they follow the recall registration requirements outlined in 8.6(b)(4). If the online Recall Registration

1 & Status Tool through Total Access is unavailable, the Company will establish an  
2 alternative registration process for these employees only. These employees will  
3 be permanently removed from layoff status if they elect retirement under the  
4 Company Retirement Plan.  
5

## 6 **8.6(b) Return to Active Employment.**

7  
8 **8.6(b)(1)** It is a mutual objective of the Company and the Union that laid off  
9 employees who have not been determined ineligible under 8.6(b)(3), 21.3(a),  
10 or **8.4(e)** be recalled to active employment, and a mutual desire that such recall  
11 into the Major Organization from which the employee was laid off be offered  
12 in approximate reverse order of layoff, with the objective of matching laid off  
13 employee skills to job requirements as defined in 8.6(b)(1)c. Accordingly, laid off  
14 employees on file for recall pursuant to 8.6(b)(4) will be offered return to active  
15 employment within the applicable job family and skills management code, in  
16 approximate reverse order of lay-off, prior to workforce additions from sources  
17 external to the Company, subject to the following limitations:  
18

19 **8.6(b)(1)a** Eligible laid off employees must set up and maintain a profile in  
20 the Company's Employment Staffing System.  
21

22 **8.6(b)(1)b** Nothing in 8.6 will preclude the Company from concurrently  
23 hiring from sources outside the Company when projected requirements  
24 exceed the number of laid off employees in applicable job family and  
25 skills management codes on file pursuant to 8.6(b)(4) who are eligible  
26 for an offer of recall. In such instances, qualified laid off employees with  
27 priority recall consideration within the applicable job family and skills  
28 management code shall be extended a job offer.  
29

30 **8.6(b)(1)c** In making recall hiring decisions, the Company will review the  
31 specific qualifications of individuals on the basis of product familiarity,  
32 specialized experience or education, customer requirements and the need  
33 to achieve the most efficient and accurate match of individual capabilities  
34 to job requirements. Consequently, not all Company decisions relating to  
35 recall hiring can promote the mutual objective and desire stated above.  
36 Accordingly, only decisions relating to matching employee's skills to job  
37 requirements will be subject to Article 3 following completion of a review  
38 by the Enterprise Senior Workforce Manager.  
39

40 **8.6(b)(2)** The Company periodically will review with the Union the operation  
41 of 8.6(b)(1) in order to facilitate achievement of the mutual objective and desire  
42 stated above.  
43

44 **8.6(b)(3)** Prior to layoff the Company will review employees to determine  
45 eligibility for reemployment consideration under 8.6(b)(1). The review will  
46 be limited to those employees for whom there is supporting documentation  
47 of performance deficiencies and/or a pattern of unacceptable conduct. The  
48 review will be performed by the cognizant Skill Team Captain for the employee's  
49 job family and skills management code. Based on the review the employee will  
50 be advised no later than the time layoff notice is issued as to his or her eligibility  
51 for reemployment consideration under 8.6(b)(1). An employee determined  
52 ineligible may appeal such determination to the cognizant Skill Team Captain. If  
53 the appeal does not resolve the matter, the employee may then file a grievance  
54 in accordance with Article 3. Such grievance shall be limited to the first three (3)  
55 steps of the grievance procedure and shall not be subject to arbitration.  
56

**8.6(b)(4) Priority Recall Registration Requirements:**

**8.6(b)(4)a** To be considered for and maintain priority recall status, the following requirements must be completed:

1. The laid off employee must keep the Company informed of his or her interest in returning to active employment by registering for priority recall consideration using electronic filing via the online Recall Registration & Status Tool in Workday. Initial filing for priority recall consideration for return to active employment must occur during the half calendar year in which they were laid off or within 60 days of their layoff date, whichever is greater.
2. A profile must be created and maintained in the Company's Employment Staffing System as required under 8.6(b)(1)a.
3. Priority recall consideration status must be maintained by registering via Workday once each consecutive calendar half-year period (January through June; July through December) during the three-year period from the date of layoff. Electronic filing for the next half calendar year must be completed via Workday prior to the expiration of the current half-year period.

**8.6(b)(4)b** Individuals who do not properly register in each calendar half-year period will have priority recall consideration eligibility revoked for the remainder of the three-year period. Eligible laid off employees on file for return to active employment are subject to the provisions of 8.6(a).

**8.6(c)** Salary and Level of Returning Laid Off Employees. Company offers to laid off employees for return to active employment will be extended at whatever salary and level is deemed by management to be appropriate and will be equal to or greater than the employee's salary at the time of layoff, plus any contractual minimum wage increases that were applied during the time period between layoff and recall.

**8.6(d)** Employees who remain on layoff status for the full period specified in 8.6(a) (1) will for a period up to six (6) years from the date the layoff was effective remain eligible for certain additional retirement benefits as specified in the Retirement Plan.

**8.6(e)** The Company will maintain a record of all laid off employees who are on layoff status under the above provisions.

**Section 8.7 Procedure Relating to the Filling of Positions and Job Posting Process.**

The Company will maintain an environment in which employees can make known their interest in transferring to other positions for which they are qualified to perform and which may satisfy their personal needs. A job posting and transfer process will be maintained which will allow employees, without fear of reprisal, to make application for transfer and receive consideration as a candidate for open positions for which they are qualified. All employees, including those involved in surpluses, shall be subject to the terms and conditions of the Company's job posting process per PRO-6477, dated May 28, 2008. Release earlier than 12 months will generally be authorized when the releasing management determines such release to be in the best interest of the company and the employee. If management is unable to release prior to 12 months, exceptions must be elevated to the applicable Functional Skill Team to validate business case and consider potential adverse impact to employee. In cases where resolution is not reached through discussion, appeal to the Enterprise Senior Workforce Manager may be submitted.

1 **Section 8.8 General Provisions.**  
2

3 **8.8(a) Compensable Injuries.** Any employee who has been wholly or partially  
4 incapacitated for that employee's regular work by compensable injury or compensable  
5 occupational disease while in the employ of the Company may, while so incapacitated,  
6 be employed in his or her own bargaining unit in work which the employee can do  
7 without regard to the provisions of this Agreement. The Union shall be notified of  
8 persons to whom this waiver applies and the effective dates of such waiver.  
9

10 **8.8(b) Veterans.** The Company and the Union, recognizing that the reemployment  
11 rights of employees entering or inducted into the Armed Forces of the United States,  
12 and the Company's obligation to these employees, are the subject matter of legislation,  
13 agree that nothing contained in this Agreement will preclude the Company from  
14 reemploying such employees in compliance with the provisions of applicable laws.  
15

16 **8.8(c) Transfer Return Rights.** An employee who is transferred by the Company  
17 from one of the units described in Article 1 to another, and at the time of such transfer  
18 is accorded return rights by the Company in writing, will not be laid off while assigned  
19 at such other unit, but will be transferred back to the original unit in accordance with  
20 the return rights previously accorded by the Company. An exception will be made  
21 if the employee elects to be laid off in which case the employee will waive transfer  
22 return rights.  
23

24 **8.8(d) Hiring of Employees on Part-Time Work Schedules.** The Company will not  
25 hire new employees into the bargaining unit on part-time work schedules and will  
26 not normally approve part-time work schedules for employees with less than two (2)  
27 years of Company service; provided, however, that the Company may rehire retirees  
28 on part-time schedules. Approval of part-time work schedules may be revoked at any  
29 time at management's discretion.  
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**Professional and Technical Units**

**ARTICLE 9**

**NON-BOEING LABOR**

**Section 9.1 Purpose.** The Company and the Union recognize that temporary Non-Boeing Labor personnel are a practical source of skilled labor that allows the Company to acquire engineering and technical support in a timely manner. The use of Non-Boeing Labor helps mitigate adverse effects of rapid expansion and contraction of the workforce, or the limited availability of certain critical skills (e.g. in connection with large developmental programs). The parties recognize that requirements for experienced Non-Boeing Labor personnel must be balanced with the need to develop, build, and maintain the Boeing experience base and to support a mutual objective of workforce stabilization by minimizing employee layoffs.

**Section 9.2 Definitions.**

**9.2(a) Contract Labor.** Technical or engineering personnel supplied to Boeing through third party suppliers who are in the business of recruiting and supplying contracted staffing to other companies. Contract personnel typically perform Boeing work on Boeing premises and are supervised by Boeing managers. Contract Labor personnel are employees of the supplier and remain on the supplier's payroll.

**9.2(b) Industry Assist.** Individuals or teams of employees from another firm in a business similar to that of Boeing, or industry leaders in their core competency who typically work on Boeing premises and are supervised by Boeing managers. Industry Assist firms are not in the business of recruiting and supplying contracted staffing to other companies. Industry Assist personnel are employed by the Industry Assist company and remain on the Industry Assist company's payroll.

**9.2(c) Purchased Services.** Non-Boeing Labor wherein specialized engineering or technical services are obtained from an outside company specifically to be used by or incorporated into a product or service. Generally, purchased services are contracted to complete defined statements of work.

**9.2(d) Strategic International Contractors.** Non-Boeing Labor typically engaged to meet industrial participation requirements and/or strategic work placement objectives. Examples would include international design centers and work placement in countries where offset agreements exist.

**9.2(e) Employees of Sub-Contractors, Suppliers or Partners.** Non-Boeing Labor representing other entities who, in order to fulfill a contractual obligation to deliver a product or service to Boeing must perform some work on Boeing premises that may be similar to work being performed by SPEEA-represented employees. Examples would include risk sharing partners on commercial or government programs, and suppliers or sub-contractors with design/build responsibility.

**9.2(f) Consultant and Professional Services.** Non-Boeing Labor providing services typically not incorporated into the Company's products or service lines and not related to work performed by SPEEA-represented employees.

**9.2(g) Loaned-In Boeing Personnel.** Boeing employees temporarily loaned from other sites to meet capability and/or capacity requirements.

**Section 9.3 Disclosure and Monitoring.** The Company and the Union mutually agree that shared information is integral to achieving common understanding and clarity regarding the utilization of Non-Boeing Labor. To promote a common understanding and



1 effective employee engagement, the Company agrees to provide certain information to  
2 the Union as follows:

3  
4 **9.3(a) Contract Labor and Industry Assist:** The Company shall provide the Union  
5 the following data on a monthly basis.

- 6
- 7 • Name
- 8
- 9 • BEMSID (if applicable)
- 10
- 11 • Start date
- 12
- 13 • Projected end date
- 14
- 15 • Work location
- 16
- 17 • Job Classification and SMC and Job Title
- 18
- 19 • Accounting business unit information
- 20
- 21 • Total number of Contract Labor and Industry Assist personnel within the
- 22 Major Organization
- 23
- 24 • A breakdown within each Major Organization by job family and skills
- 25 management codes normally held by SPEEA-represented employees
- 26 performing the same type of work
- 27

28 **9.3(b) Purchased Services and Strategic International Contractors:** The Company  
29 shall provide the Union the following data for personnel who are on-site for greater than  
30 sixty (60) days on a quarterly basis subject to the availability of data and as constrained  
31 by compliance with privacy laws as determined by the Company.

- 32
- 33 • Total number of on-site personnel by general skill type and category
- 34
- 35 • Summary of statement of work provided including projected duration
- 36

## 37 **Section 9.4 Application and Limitations.**

38  
39 **9.4(a) Contract Labor and Industry Assist.**

40  
41 **9.4(a)(1) No employee with an assigned retention rating of R1 or R2 shall**  
42 **be laid off from** a surplus Major Organization as defined in Article 8 while  
43 Contract Labor or Industry Assist personnel are still employed in that job family  
44 and skills management code within that, or any other, Major Organization.  
45 Further, no employee from a surplus Major Organization, regardless of  
46 assigned retention rating, shall be laid off while Contract Labor or Industry  
47 Assist personnel are still employed in that job family and skills management  
48 code within that Major Organization, except those employees as to whom there  
49 is supporting documentation of performance deficiencies.

50  
51 The acquisition of Contract Labor or Industry Assist personnel will be subject  
52 to the terms of 8.6(b) while laid off employees remain on Priority Recall Status.

53  
54 **9.4(a)(2)** The Company and the Union agree that it is normally inappropriate to  
55 post external job requisitions within a job family and skills management code  
56

where a near-term surplus is anticipated, has been declared, or is in progress within a Major Organization. Deviations will be subject to approval by the appropriate Functional Skill Leader for the Major Organization and discussed with the Union. The granting of a deviation to allow posting of such job requisitions shall not be subject to the grievance and arbitration procedure of Article 3.

**9.4(a)(3)** The Company shall make Contract Labor and Industry Assist positions available in accordance with the Boeing job posting process for assignments exceeding eighteen (18) months. However, if the period of performance must be extended beyond eighteen (18) months, the Company's supporting business rationale will be discussed with the Union at the next Joint Workforce Committee meeting, and the Company will continue to use Contract Labor or Industry Assist personnel in these positions through the duration of their assignments. The extension of such assignments shall not be subject to the grievance and arbitration procedure of Article 3. In the meetings, the Company will also discuss information relevant to staffing efforts to fill these positions with direct labor. Summary information will include recruiting strategies, identification of applicable posted requisition(s), and offer/offer acceptance data for these requisition(s).

**9.4(a)(4)** Contract Labor and Industry Assist personnel shall not be authorized to make decisions normally associated with management responsibility including salary determination, performance management, retention and discipline.

The Company and the Union also agree that it is normally inappropriate to place Contract Labor or Industry Assist personnel in lead roles (engineering or technical) including the assignment of or evaluation of individual work assignments. Deviations will be subject to approval by the appropriate Functional Skill Leader in the Major Organization and discussed with the Union. The granting of a deviation to allow such assignments shall not be subject to the grievance and arbitration procedure of Article 3.

**9.4(b) Purchased Services.** In those cases where the skills of the Purchased Services are the same as those currently subject to reduction in force of Boeing direct labor within a Major Organization, the Company will, consistent with its contractual requirements to the Purchased Services firm, consider reducing or eliminating the services of the firm and discuss the decision and rationale with the Union at the next Joint Workforce Committee meeting.

**9.4(c) Strategic International Contractors.** In those cases where the skills of Non-Boeing Labor identified in 9.2(d) are the same as those currently subject to reduction in force of Boeing direct labor within a Major Organization, the Joint Company/Union Partnership Leadership Committee will convene, consistent with the provisions of Letter of Understanding 6, to discuss the potential reduction of these services.

**Section 9.5 Exceptions to this Article.** to avoid significant disruption or impact on committed packages of work will require the approval of the Enterprise Senior Workforce Manager. Notification will be provided to the Union as soon as practicable.

**Professional and Technical Units**  
**ARTICLE 10**  
**JOINT MEETINGS**

**Section 10.1 Joint Meetings.**

**10.1(a)** Should either party desire to discuss with the other any matter affecting generally the relationship of the parties, a meeting of Union and management representatives shall be arranged upon request of either party. Such meeting shall take place at a time mutually convenient to both parties. Any use of Company time for attendance at such meetings shall be arranged in advance by mutual agreement.

**10.1(b)** This Article is intended to provide a free avenue of communication between the Union and the Company, and suggestions, complaints, or other matters may be presented by either party, provided that neither party shall be required to discuss any item brought up by the other party nor be bound to act upon any item presented. However, both parties agree to discuss informal grievances and complaints.

**Professional Unit**  
**ARTICLE 11**  
**RATES OF PAY AND WORK SCHEDULES**

**Section 11.1 Pay Rates and Cost of Living Adjustments.**

**11.1(a)** The minimum salary will be the Salary Reference Table minimum values as established by the Company for each Salaried Job Classification identified in Appendix B.

**11.1(b) Salary Adjustment Funds.**

**11.1(b)(1)** Except as outlined in Article 11.1(b)(2), the Company will establish seven salary review adjustment funds in accordance with the dates set forth in Table 1:

**TABLE 1**

<b>Review Period</b>	<b>Fund Computation Date</b>	<b>Increase Effective Date</b>	<b>Salary Adjustment Fund Percentage</b>	<b>Lump Sum Percentage</b>
1	12/31/19	3/13/20	3.0%	2.0%
2	12/31/20	3/12/21	3.0%	2.0%
3	12/31/21	3/11/22	3.0%	1.5%
4	12/31/22	3/10/23	3.0%	0.0%
5	12/31/23	3/8/24	3.0%	0.0%
6	12/31/24	3/7/25	3.0%	0.0%
7	12/31/25	3/6/26	3.0%	0.0%

The Salary Adjustment Fund Percentage will be multiplied by the total salaries of eligible employees as of the Fund Computation Date and the resulting Salary Adjustment Fund shall be paid to eligible employees in the form of increases to base salaries. The Lump Sum Percentage, if applicable, shall be a flat percentage of the individuals' base salary as of the Fund Computation Date and paid as an equal percentage to all eligible employees as a Lump Sum Award ("LSA") on the increase effective date. The LSA will be calculated in the same fashion for both full and part-time employees.

For Review Periods 1 and 4 through 7 only, every eligible employee will receive a minimum salary increase of 2.0%. For Review Periods 2 and 3, every eligible employee will receive a minimum 2.0% award in the form of a salary increase, an LSA, or a combination of the two.

Eligible employees are defined as follows:

- Hired before December 31 of each year, and
- Classified in the bargaining unit on both the Fund Computation Date and the Increase Effective Date.

Employees on leave of absence for less than 180 days as of the Fund Computation Date are included in the Salary Review exercise. For salary review adjustment fund computation purposes described in Section 11.1(b), the units defined in Section 1.1 will be treated as a single unit with the exception of Miami employees, whose compensation is governed by Section 11.1(b)(2) below. For any Review Period identified in Table I, the Company may, at its discretion, increase the Salary Adjustment Fund, resulting in an equal decrease to the Salary Adjustment Fund of a subsequent Review Period.

1 **11.1(b)(2)** Salary increases for Miami employees as defined in Article 1.1(a) shall  
2 be provided in accordance with the schedule in Table 2:  
3  
4

5 **TABLE 2**

6 <b>Review Period</b>	7 <b>Fund Computation Date</b>	8 <b>Increase Effective Date</b>	9 <b>Salary Increase Percentage</b>
10 1	11 12/31/19	12 3/13/20	13 3%
14 2	15 12/31/20	16 3/12/21	17 3%
18 3	19 12/31/21	20 3/11/22	21 3%
22 4	23 12/31/22	24 3/10/23	25 3%
26 5	27 12/31/23	28 3/8/24	29 3%
30 6	31 12/31/24	32 3/7/25	33 3%
34 7	35 12/31/25	36 3/6/26	37 3%

38 Salary increases shall be applied to the base salary as of the Fund Computation  
39 Date.

40 **11.1(c) Cost of Living Adjustments.**

41 **11.1(c)(1)** Employees eligible to participate in the salary review adjustment  
42 funds under 11.1(b) may also receive Cost of Living Adjustments to the extent  
43 such adjustments become effective under and in accordance with all of the  
44 terms, conditions and limitations stated in 11.1(c). The terms, definitions, and  
45 limitations stated in 11.1(b) and 11.1(c) also apply to such adjustments. Cost  
46 of Living Adjustments would be delivered to each eligible employee separately  
47 from those selective adjustment funds derived in 11.1(b). Cost of Living  
48 Adjustments would be effective on the dates specified in Table 34.

49 **11.1(c)(2)** Determination of Cost of Living Adjustments shall be made in  
50 reference to the series U.S. city average "Consumer Price Index Urban Wage  
51 Earners and Clerical Workers" published by the Bureau of Labor Statistics, U.S.  
52 Department of Labor, with the following base period: 1982-1984 = 100, such  
53 Index being referred to herein as the BLS Index.

54 **11.1(c)(3)** Computations will be made using the three-month average of the  
55 BLS Index for July, August and September, 2019 (250.2), as the base period.

56 **11.1(c)(4)** During the life of this Agreement, Cost of Living Adjustments shall  
be computed using the three-month average of the BLS Index for the periods  
specified in Table 3 and the corresponding BLS Index threshold values expressed  
as percentage increases over the 2019 base period. The formula will be:  
percentage of Cost of Living equals fifty (50) percent of the percentage increase  
in the BLS Index, from the 2019 base period to the BLS Index Comparison  
Quarter, that exceeds the BLS Index Threshold Percentage, as shown in Table 3.  
In order to preclude recognition, on more than one effective date, of the same  
percentage increase in the BLS Index, any recognition on one effective date of  
a percentage increase over the applicable BLS Index Threshold Percentage will  
cause that percentage to be set aside and disregarded in ensuing computations.  
[e.g., if the BLS Index for October, November, December 2020 represented an  
8 percent increase over the base period (yielding a 1.0 percent Cost of Living  
Adjustment effective 3/12/21), no Cost of Living Adjustment would result for  
the 3/11/22 effective date unless, and to the extent, the BLS Index for October,  
November, December 2021 represented an increase in excess of 14 percent  
over the base period.] BLS Index three-month averages, BLS Index increase

percentages, and salary increase percentages will be rounded to the nearest tenth, with five hundredths rounded upward to the nearest tenth.

**TABLE 3**

<b>Effective Date of Adjustment</b>	<b>BLS Index Comparison Quarter</b>	<b>BLS Index Threshold Percentage</b>
3/13/20	Oct, Nov, Dec 2019	6%
3/12/21	Oct, Nov, Dec 2020	12%
3/11/22	Oct, Nov, Dec 2021	18%
3/10/23	Oct, Nov, Dec 2022	24%
3/8/24	Oct, Nov, Dec 2023	30%
3/7/25	Oct, Nov, Dec 2024	36%
3/6/26	Oct, Nov, Dec 2025	42%

**11.1(c)(5)** In connection with each of the effective dates in Table 3, the computations set forth in 11.1(c)(4) will be made.

**11.1(d)** For payroll computation purposes, hourly rates of pay will be computed on the basis of 2080 compensable hours each calendar year.

### **Section 11.2 Overtime.**

**11.2(a)** The hourly rate to be paid for scheduled overtime worked by employees will be straight time plus \$6.50 per hour.

**11.2(b)** The term “scheduled overtime” as used in this paragraph will refer to a program of work in excess of 80 compensated hours in a two-week pay period authorized as scheduled overtime by the Company to meet increased workload.

**11.2(c)** The provisions of 11.2 will not be applicable to the following:

**11.2(c)(1)** Employees on part-time work schedules.

**11.2(c)(2)** Time enroute on travel assignments at the request of the Company.

**11.2(c)(3)** All hours worked in excess of the scheduled hours which are not requested by the Company.

**11.2(d)** Except as expressly provided in this Agreement, the Company shall have the right to require employees to record time worked (however categorized) and to administer the overtime and all other aspects of its labor charging system in the manner the Company may determine from time-to-time.

**Section 11.3 Temporary Military Leave.** Time off with pay up to a maximum of eighty hours each military fiscal year will be granted to an employee who is a member of a reserve component of the Armed Forces and who is absent due to required annual active duty or to temporary special duty. The amount due the employee under this 11.3 shall be reduced by the amount received from the government body identified with such active or temporary special duty, for the period of such duty (up to the maximum period mentioned above). Such items as subsistence, uniform, and travel allowance shall not be included in determining pay received from the state or federal government. An employee who elects to use available Company paid holidays during the 90 calendar days of military leave, vacation credits, or sick leave credits while on temporary active duty will not be eligible for military pay differential for that period.

1 Members of a reserve component of a uniformed service ordered to annual active duty  
2 are eligible for military differential pay up to a maximum of 80 hours each military fiscal  
3 year (October 1 – September 30) or longer if required by applicable laws.  
4

5 Members of a reserve component of a uniformed service ordered to temporary  
6 special duty under Military U.S. Code Title 10 or mobilized by the applicable state  
7 agency are eligible for military differential pay up to a maximum of 90 calendar days  
8 for each occurrence. Extension of military differential pay beyond 90 days may be  
9 approved on a case-by-case basis for each call-up. This approval will be based on  
10 the call-up and not on an individual employee basis. Military differential pay will end  
11 upon the employee's release from active duty.  
12

13 Employees will retain all compensation received from the uniformed services. If  
14 this compensation is less than their regular Company pay (base rate plus applicable  
15 additives), the Company will provide pay equal to the difference between the  
16 employee's base rate (plus applicable additives) and the compensation received from  
17 the uniformed services. This pay will be provided upon receipt of the employee's  
18 leave and earnings statement. Subsistence (does not include quarters), uniform, and  
19 travel allowances will not be included in determining military pay.  
20

21 **Section 11.4 Jury Duty and Witness Service.** Time off with pay will be granted for  
22 absence necessary for an employee to perform jury duty or witness service. The employee  
23 will retain all fees received. Time off with pay, unless required by applicable law, will not  
24 be granted if the employee:

- 25 1. Is subpoenaed as a witness against the Company or its interests.
- 26 2. Is subpoenaed as a witness as a direct party in the action.
- 27 3. Voluntarily seeks to testify as a witness.
- 28 4. Is subpoenaed as a witness in a case arising from or related to the employee's  
29 outside employment or outside business activities.

30  
31  
32  
33  
34  
35 **Section 11.5 Work Schedules and Shifts.**  
36

37 **11.5(a)** Each employee working full time shall be assigned one of the following work  
38 schedules:  
39

- 40 (1) Category 1 Weekday Schedule: 40 hours in a workweek or 80 hours in a  
41 pay period, with regular workdays during the Monday through Friday  
42 period.
- 43 (2) Category 1 Weekend Schedule: 40 hours in a workweek or 80 hours in a  
44 pay period, with Saturday and/or Sunday as a regular workday.
- 45 (3) Category 2 Weekday Schedule: Less than 40 hours in a workweek or less  
46 than 80 hours in a pay period, with regular workdays during the Monday  
47 through Friday period.
- 48 (4) Category 2 Weekend Schedule: Less than 40 hours in a workweek or less  
49 than 80 hours in a pay period with Saturday and/or Sunday as a regular  
50 workday.
- 51
- 52
- 53
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- 56

<b>Schedule Hours</b>	<b>Category One</b> Schedules of 40 hours in a workweek or 80 hours in a pay period		<b>Category Two</b> Schedules of fewer than 40 hours in a work week or 80 hours in a pay period	
	<b>Weekday</b>	<b>Weekend</b>	<b>Weekday</b>	<b>Weekend</b>
<b>Schedule Type</b>	<b>Incentives</b>			
<b>Shift</b>				
<b>First</b>	None	Weekend Rate	Schedule Factor	Weekend Rate Schedule Factor
<b>Second</b>	Shift Rate	Shift Rate Weekend Rate	Shift Rate Schedule Factor	Shift Rate Weekend Rate Schedule Factor
<b>Third</b>	Shift Rate Shift Percentage	Shift Percentage Shift Rate Weekend Rate	Shift Rate Schedule Factor	Shift Rate Weekend Rate Schedule Factor

#### INCENTIVES DEFINITIONS

<b>Shift Percentage</b> Maintains "equity" with 3rd shift 6.5 hour schedule	<b>Shift Rate</b> Working other than 1st shift	<b>Weekend Rate</b> Working on a Saturday/Sunday as a regular day	<b>Schedule Factor</b> Works less than 40/80 hours, paid for 40/80
23%	\$1.00 per hour	Sat. or Sun. \$2.00 Sat. & Sun. \$3.00	Pay period hours/ Scheduled hours

**11.5(b)** Employees may, at their request and with management's approval, work any of the above schedules. Management will staff Weekend Schedules with volunteers.

**11.5(c)** Employees may at their request and with management's approval, make a temporary modification of their work schedule through movement of hours from one day to another within an 80-hour pay period. With management coordination, employees may use leave with pay [Personal Business (PERBUS)] for partial day absences due to reasons other than those identified in Article 6.

**11.5(d)** The Company may assign an employee to any shift to meet operational requirements. The following shift identification shall apply:

- (1) First shift: Begins at any time from 4:00 a.m. to 11:59 a.m.
- (2) Second shift: Begins at any time from 12:00 noon to 7:59 p.m.
- (3) Third shift: Begins at any time from 8:00 p.m. to 3:59 a.m.

**11.5(e)** If an employee is requested to travel for the Company outside of their normal shift, they may, at their request and with management approval, make a temporary modification of their work schedule through the movement of hours from one day to another within an eighty (80) hour pay period.

**11.5(f)** Employees will be permitted to change to a Category 1 Weekend Schedule in support of AOG assignments.



1 **11.5(g)** Section 11.5 does not apply to Miami employees.

2  
3 **Section 11.6 Incentives.**

4  
5 **11.6(a)** Employees assigned to second or third shift shall receive a shift rate incentive  
6 of \$1.00 per hour.

7  
8 **11.6(b)** Employees assigned to either Saturday or Sunday as a regular day of work  
9 shall receive \$2.00 per hour. Employees assigned to both Saturday and Sunday as  
10 regular days of work shall receive \$3.00 per hour.

11  
12 **11.6(c)** Employees assigned to a Category 2 Schedule will receive a schedule factor  
13 incentive equivalent to the difference between the hours scheduled and forty hours  
14 in a workweek

15  
16 **11.6(d)** Employees assigned to a Category 1 Schedule and identified to receive the  
17 "shift percentage" shall receive twenty-three percent (23%) of their base rate.

18  
19 **11.6(e)** Section 11.6 does not apply to Miami employees.

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21 **Section 11.7 Promotions and Salary Adjustments.**

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23 For Review Periods 1-3 below, the Company will spend at least one half of one percent  
24 (0.5%), and for Review Periods 4-7, it will spend at least one and one half percent (1.5%), of  
25 the total unit salaries as of the computation date of the review period, on either adjustments  
26 in salary accompanied by a change in classification (promotion), or adjustments in  
27 salary outside of the annual salary review (Out of Sequence Selective Adjustment), or  
28 any combination of the two. In the event less than the applicable minimum percentage  
29 is spent during the review period, the delta between the actual expenditure and the  
30 applicable minimum percentage will be added to the next salary adjustment fund. The  
31 minimum promotion increase will be \$3,500.

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33 There will be no selective adjustments or in-line promotions outside the competitive job  
34 selection process during the period scheduled by the Company for salary review (typically  
35 January 1 through mid-April).

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Review Period	Start Date	Computation Date	End Date
1	January 1, 2020	December 31, 2019	December 31, 2020
2	January 1, 2021	December 31, 2020	December 31, 2021
3	January 1, 2022	December 31, 2021	December 31, 2022
4	January 1, 2023	December 31, 2022	December 31, 2023
5	January 1, 2024	December 31, 2023	December 31, 2024
6	January 1, 2025	December 31, 2024	December 31, 2025
7	January 1, 2026	December 31, 2025	December 31, 2026

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**Section 11.8 Part-Time Employees.** Part-time employees will be eligible for Holiday Pay and Jury Duty and Witness Service pay under the following circumstances:

1. **Holidays** - Payment for holiday pay will be equal to the number of hours in their baseline schedule for that day (maximum of eight hours). If a holiday falls on an employee's regularly scheduled day off, the employee will not be compensated for that holiday.
2. **Jury Duty and Witness Service** - Payment will be equal to the number of hours in their baseline schedule for that day (maximum of eight hours). If jury duty or witness service falls on an employee's regularly scheduled day off, the employee will not be compensated for that day.

**Section 11.9 Direct Deposit.**

**11.9(a)** In states where mandatory direct deposit is permitted by law, paychecks will be delivered via direct deposit by Thursday of every second week.

**11.9(b)** For employees working in other states, paychecks shall be delivered via direct deposit on or before Thursday of every second week, or placed in the U.S. mail on or before Tuesday of every second week.

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**Professional and Technical Units**  
**ARTICLE 12**  
**UNION OFFICIALS**

**Section 12.1 Accredited Representatives.**

**12.1(a)** The Union shall inform the Company in writing of the names and positions of its officials and, currently, any changes thereto. Only persons so designated to the Company will be accredited as representatives of the Union. Accreditation shall be effective on the third day following the Company's receipt of the notification.

**12.1(b)** Solicitation of Union membership, collection or checking of dues, or reading of Union newsletters or publications will not be permitted during working time. Distribution of Union newsletters or publications will not be made during working time or in work areas. The Company agrees not to discriminate in any way against any employee for legitimate Union activity, but such activity shall not be carried on during working time except as specifically provided for in this Agreement.

**12.1(c)** Each employee, before leaving his or her assigned work on Union business, shall have authorization therefore from the Union and shall notify his or her supervisor prior to taking such leave. The Union shall provide to the designated Company Representative oral confirmation of such authorization at least one day prior to such leave and written confirmation immediately thereafter. Such unworked time, limited to regular working hours, shall be charged to a special charge account number and the Union agrees to reimburse the Company at the employee's regular hourly rate for all such time so spent.

**12.1(d) Grievance and Contract Administration.**

**12.1(d)(1)** The Union shall investigate and adjust grievances and perform contract administration, in the work area, exclusively through Council Representatives (who shall be employees), Executive Board Members and Union Staff Representatives.

**12.1(d)(2)** Each Executive Board Member and Council Representative shall notify and obtain permission from his or her supervisor before leaving the work assignment for the purpose of investigating complaints or claims of grievance on the part of employees in his or her work area. Such permission shall be granted except where the supervisor considers such absence would seriously interfere with the performance of the group of which the representative is a part. Time spent on such approved investigations and discussions shall be considered work time provided such activity does not extend beyond the time that the supervisor considers reasonable under the circumstances. Any Executive Board Member and Council Representative in the conduct of his or her investigation, and before contacting an employee, shall obtain permission of the supervisor of such employee and advise the supervisor of the nature of the complaint or grievance and the estimated time required for the discussion. Such permission shall be granted except where the visit would seriously interfere with the work of the group. Except as provided in 12.1(e) and 10.1(a), all time spent performing such Union business as well as time spent in joint committee and partnership activities shall be handled in accordance with the Company's overhead charging process and shall not be docked from the employee's pay.

**12.1(d)(3)** Access by Union Staff Representatives and non-Employee Executive Board members shall be governed by 12.2 below.

<b>12.1(e)</b> Leave of absence of at least 30 days without pay shall be granted for the following reasons:	1
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<b>12.1(e)(1)</b> Full-time employment by the Union or its national organization;	4
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<b>12.1(e)(2)</b> Union business authorized by the Executive Board and approved in writing by the designated Company Representative, which approval shall not be withheld absent legitimate business circumstances.	6
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The Company will reinstate employees on such leaves at not less than his or her former level and salary plus any general salary increases which occurred during the period of the leave of absence.	10
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<b>12.1(f)</b> The parties agree that as a general rule, union officials should not be negatively impacted with regard to: retention, selective salary, and performance evaluation exercises for their time spent in the execution of union-related activities.	14
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The Company and the Union recognize that the elected Union representative has a defined work assignment that may include a reasonable amount of Union Business. If the Company determines that the performance of union-related activities begins to negatively impact the overall work statement, the Company and the Union agree to work together to adjust the union official's work statement or union activities, or both.	18
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The resulting actions from 12.1(f) will be exempt from Article 3.	24
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<b>12.1(g) Executive Board and Council.</b>	26
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<b>12.1(g)(1)</b> The Union may designate one Council Representative for each 200 employees, or major fraction thereof, in each Major Organization in the bargaining unit, plus one Council Representative for each mutually agreed outplant location with fewer than 100 employees. In unique circumstances where maintaining such a ratio creates a hardship to the Union, the Company will give due consideration to a written request from the Union for a waiver of the ratio requirement.	28
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<b>12.1(g)(2)</b> The parties will review annually, prior to Council elections, the number of Council Representatives allowed under 12.1(g)(1). The number agreed upon as contractually allowable during these reviews may not be reduced prior to the next such review except by mutual agreement of the parties. Any increases to the number of Representatives must be in accordance with 12.1(g)(1) and is also subject to mutual agreement of the parties.	35
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<b>12.1(g)(3)</b> No more than seven (7) Executive Board members shall at any time be accepted by the Company as accredited representatives of the Union.	42
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<b>12.1(g)(4)</b> In the absence of a Council Representative for any reason, the Union may designate a temporary substitute.	45
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<b>12.1(h) Protection of Union Officials.</b>	48
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<b>12.1(h)(1)</b> Executive Board members and Council Representatives shall not be laid off during their respective terms of office except as described herein.	50
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<b>12.1(h)(1)a</b> Council Representatives will be given a retention rating while serving during their term of office that will be adjusted to indicate that the employee has the highest retention rating in the applicable job family,	53
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1 skills management code. So rated, the Representatives will be subject  
2 to all terms and conditions of Article 8 of the parties' Agreements. Once  
3 the Representatives are no longer in office, the retention rating will be  
4 readjusted to the otherwise applicable rating.  
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6 **12.1(h)(1)b** If Council Representatives are relocated, due to transfer or  
7 otherwise, out of the district in which they were elected, the Representatives  
8 will continue to be protected from layoff for the balance of their term of  
9 office so long as they remain recognized members of the Council. Each  
10 designated Council position can be filled by only one member.  
11

12 **12.1(h)(1)c** Layoff protection does not apply to Council Representatives  
13 who, at the time of election or appointment, have received an active  
14 advance notice of potential layoff, unless the Representative is running for  
15 reelection to a consecutive term of office.  
16

17 **12.1(h)(1)d** Nothing herein precludes a Council Representative from  
18 requesting a voluntary or accelerated layoff.  
19

20 **12.1(h)(2)** In the event management deems it necessary to involuntarily  
21 transfer or loan a Council Representative, and other employees then represented  
22 by the Council Representative would remain in the same job family and skills  
23 management code, when practicable the Company will inform the Union of the  
24 proposed transfer or loan thirty days prior to its effective date and will discuss  
25 with the Union the feasibility of transferring or loaning another employee.  
26

27 **Section 12.2 Union Staff Representatives and Non-Employee Executive Board**  
28 **Members – Access to Plants.** Union Staff Representatives and Executive Board Members  
29 not employed by the Company (hereinafter "Representatives") will be permitted access  
30 during working hours to areas in the Company's facilities where employees in the bargaining  
31 units defined in Article 1 are assigned, to the extent government and customer regulations  
32 permit. Such access shall be only for the purpose of investigating complaints or claims of  
33 grievance on the part of employees or the Union and shall be subject to the following:  
34

35 **12.2(a)** The Company shall be required to admit only those Representatives who  
36 have been agreed to in writing or as may be agreed to by the Company throughout  
37 the remainder of the Agreement. Except for visits to the Corporate Employee  
38 Relations Offices, Representatives shall notify the designated Human Resources  
39 organization of their contemplated visits.  
40

41 **12.2(b)** Representatives who are entitled to admittance to the Company's facilities  
42 shall sign in where required through the Company designated organization at the  
43 plant or facility they desire to enter. Upon being admitted, they shall proceed to the  
44 organization they wish to visit, contact the supervisor then present, inform him or  
45 her of the purpose of their visit and obtain his or her permission prior to contacting  
46 any employee in such organization. Such permission will be granted except where  
47 there is a substantial reason for delaying the contact due to safety conditions or the  
48 fact that a critical operation is in process. Upon leaving the plant or facility they shall  
49 sign out where required and return any temporary identification badges which were  
50 issued for the purpose of the specific visit.  
51

52 **12.2(c)** The Company shall supply identification badges so that each Representative  
53 can have access during working hours to the areas in which Bargaining Unit  
54 employees are assigned. Representatives may retain their badges affording such  
55 access during the period they are assigned such duties by the Union, subject to  
56 12.2(a), 12.2(b), and 12.2(d) of this Agreement.

12.2(d) Representatives who fail to comply with provisions of 12.2 shall forfeit their admittance rights.

**Section 12.3 Union Staff Representative, Executive Board Member or Council Representative Security Interviews.**

Each employee has the right, during a Security interview which the employee reasonably believes may result in discipline, to request the presence of his or her Union Staff Representative, Executive Board Member or Council Representative, if the Union Staff Representative, Executive Board Member or Council Representative is available. If his or her Union Staff Representative, Executive Board Member or Council Representative is not available, such employee may request the presence of another immediately available Union Staff Representative, Executive Board Member or Council Representative. If a Union Staff Representative, Executive Board Member or Council Representative, pursuant to the employee's request, is present during such an interview, the Union Staff Representative, Executive Board Member or Council Representative, in addition to acting as an observer, may, after the Security representative has completed his or her questioning of the employee, ask additional questions of the employee in an effort to provide information which is as complete and accurate as possible. The Union Staff Representative, Executive Board Member or Council Representative shall not obstruct or interfere with the interview.

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1 **Professional and Technical Units**

2 **ARTICLE 13**

3 **UNION SECURITY**

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5 **Section 13.1 Union Membership.** Subject to 13.2 below, and unless otherwise prohibited  
6 by applicable state law, all employees within the bargaining units defined in 1.1 shall  
7 pay dues or an agency fee to the Union within 31 days following the beginning of such  
8 employment, or within 31 days following the execution of this Agreement, whichever is  
9 later, and shall thereafter maintain their dues or agency fee paying status in good standing  
10 during the life of this Agreement, as a condition of continued employment.

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12 **Section 13.2 Satisfaction of Obligation.** Effective January 1, 2013 employees who,  
13 under 13.1, are required to pay dues or an agency fee to the Union may satisfy that  
14 obligation by monthly tendering to the Union an amount equal to the Union's regular and  
15 usual monthly dues.

16  
17 Employees who demonstrate sincere religious objection to the payment of such dues or  
18 an agency fee may satisfy their obligations under 13.1 by paying sums equal to the Union's  
19 regular and monthly dues to one of the tax-exempt nonreligious, nonlabor charitable  
20 organizations identified within a list of mutually agreed upon entities that will be made  
21 available to SPEEA employees.

22  
23 **Section 13.3 Failure to Satisfy Obligations.** In the event an employee who, as a condition  
24 of continued employment, is required under this Article to pay dues or an agency fee to the  
25 Union but fails to do so, the Union will notify the Company in writing through the Company  
26 Offices Union Relations Office, or through such other office as may be designated by the  
27 Company, of such employee's delinquency. The Company agrees to advise such employee  
28 that his/her employment status with the Company is in jeopardy and that his/her failure  
29 to meet this obligation under this Article within five days will result in the termination of  
30 his/her employment.

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32 **Section 13.4 State Laws.** In regard to employees within those collective bargaining  
33 units covered by this Agreement that are in states where application of a union security  
34 provision such as that stated in 13.1 is not legally permitted as of the effective date of this  
35 Agreement: In the event the application of such provision was to become permissible  
36 in such state during the effective period of this Agreement, such provision then would  
37 become applicable to the affected collective bargaining unit in that state, and the date  
38 that such provision became permissible would be used instead of the effective date of  
39 this Agreement.

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41 **Section 13.5 Payroll Deduction for Union Dues.** The Company shall make payroll  
42 deductions for the Union's regular and usual monthly dues or agency fee, upon receipt  
43 by the office designated by the Company of a voluntary written assignment from the  
44 employee covering such deductions on a form mutually agreed to by the Union and the  
45 Company. The list of such deductions will be itemized to include each such employee's  
46 permanent employee number, name, and amount of deduction, and such itemization will  
47 be forwarded to the Union. The regular and usual monthly dues shall either be in amounts  
48 that are specified on such assignments, or pursuant to a written formula, submitted by  
49 the Union to the Company which, in either case, the Company has approved in writing  
50 in advance as being administratively practicable. The Company agrees to make monthly  
51 payroll deductions for Union dues for those employees on travel assignment scheduled to  
52 be 90 days or less who have a valid authorization card on file, regardless of the employee's  
53 payroll classification while on such assignment.

**Section 13.6 Carry-over of Authorizations between Bargaining Units.** The Company will carry over dues authorizations of employees among and between the bargaining units represented by the Union, i.e., where a valid authorization card is on file with the Company for an employee within a Union bargaining unit and the employee thereafter is transferred directly to one of the other Union bargaining units and the employee has not in the meantime canceled the authorization. The Company will also resume dues deductions on behalf of employees who leave the bargaining unit and return within a 180-day period and have a valid dues deduction authorization on file.

**Section 13.7 Indemnity and Waiver of Claims.** The Union will indemnify and hold the Company harmless from and against any and all claims, demands, charges, complaints or suits instituted against the Company which are based on or arise out of any action taken by the Company in accordance with or arising out of the foregoing provisions of this Article 13. Both the Company and the Union will utilize due diligence in administering and reviewing, respectively, the dues deduction system. In the event the Union discovers administrative errors in the Company's administration of the system, the Union will give the Company prompt and timely notice of same, whereupon the Company will endeavor to make reasonable administrative corrections consistent with applicable state and federal law. Respecting Company administration of the system, the Union expressly waives as against the Company any and all claims, demands, suits, or other forms of liability that may arise out of or by reason of good faith action taken or not taken by the Company for purposes of complying with this Article.



**Professional and Technical Units**  
**ARTICLE 14**  
**STRIKES AND LOCKOUTS**

**Section 14.1 Strikes and Lockouts.** The Union agrees that during the term of this Agreement, and regardless of whether an unfair labor practice is alleged, (a) there shall be no strike, sit-down or walk-out and (b) the Union shall not directly or indirectly authorize, encourage or approve any refusal on the part of employees to proceed to the location of normal work assignment where no rare or unusual physical hazard is involved in proceeding to such location. Any employee who violates this clause shall be subject to discipline. The Company agrees that during the term of this Agreement there shall be no lockout of employees covered by this Agreement. Any claim by the Company that the Union has violated this Article or any claim by the Union that the Company has violated this Article shall not be subject to the grievance procedure or arbitration provisions of this Agreement and the Company or the Union shall have the right to submit such claim to the courts.

**Professional Unit**  
**ARTICLE 15**  
**VOLUNTARY INVESTMENT PLAN**

**Section 15.1 Continuation of Plan.** Subject to the continuing approval of the Commissioner of Internal Revenue, to the extent available, and of other cognizant governmental authorities, as more particularly hereinafter specified, and to the provisions of 15.6, a Voluntary Investment Plan (hereinafter call the Plan) in the form as now in effect as to the employees within the units to which this Agreement relates shall continue to be effective while this Agreement is in effect as to such employees in accordance with and subject to the terms, conditions and limitations of the Plan.

**Section 15.2 Approval of Plan.** Approval of the Plan by the Commissioner of Internal Revenue as referred to in 15.1 means a continuing approval sufficient to establish that the Plan and related trust or trusts are at all times qualified and exempt from income tax under Section 401(a), Section 401(k) and other applicable provisions of the Internal Revenue Code of 1986, and that contributions made by the Company under the Plan are deductible for income tax purposes in accordance with law. The cognizant governmental authorities referred to in 15.1 include, without limitation, the Department of Labor and the Securities and Exchange Commission, and their approval means their confirmation with respect to any matter within their regulatory authority that the Plan does not conflict with applicable law.

**Section 15.3 Continuation Beyond Agreement.** The Company shall not be precluded from continuing the Plan in effect as to employees within the units to which this Agreement relates after expiration or termination of this Agreement, subject to the terms, conditions, and limitations of the Plan.

**Section 15.4 Plan Updates.** The parties agree that innovations in technology and administrative practices can give savings plan participants better access to information about their benefits, increased investment options, timely on-line transaction capability and enhanced administrative features. Accordingly, when the company identifies administrative services that in its estimation reflect industry best practices, the Employee Benefit Plans Committee has discretion to adopt these changes to the Savings Plan. The Company will notify the Union in advance of implementation of any changes adopted by the Employee Benefit Plans Committee.

**Section 15.5 Company Matching Contributions and Employee Elective Contributions.** The Company matching contribution shall be equal to 75% of the first 8% of the employee base pay contribution for employees hired or rehired prior to March 1, 2013.

**Section 15.6 Current Plan.** Subject to the approvals specified in 15.2, all current provisions of the Plan applicable to employees covered by this Agreement are to remain unchanged with the exception of the amendment included in Section 15.6(a).

**15.6(a)** Effective as soon as administratively feasible but no later than September 1, 2020, employees may contribute up to 50% of base pay on a pre-tax basis, an after tax basis (including Roth contributions), or a combination of both, in 1% (one percent) increments.

**15.6(b)** Effective July 1, 2016, employees became eligible to select a Roth contribution option, which is a second after-tax contribution feature. The Roth contribution feature will also be available for any catch-up contributions and any Employee Incentive Plan payments contributed to the Plan. No Company matching contributions will be made with respect to catch-up contributions classified as Roth contributions and Employee Incentive Plan payments contributed as Roth contributions. Roth contributions

(and associated investment earnings) are not available for loans; however, Roth contributions (and associated investment earnings) are included in determining the maximum amount available for a loan. The Roth contribution feature includes an in-plan Roth conversion feature.

Roth contributions will be available pursuant to procedures established by the Plan Administrator or its delegate or agent, and will be subject to all provisions of the VIP, the Internal Revenue Code, applicable securities laws and other applicable laws and regulations. The Company reserves the right to unilaterally alter, amend, and/or modify any or all terms of the VIP with respect to Roth Contributions at its sole discretion without further discussion with the Union. All terms and conditions of the Roth contributions, as may be so amended or modified will apply to employees covered by this Agreement. Notwithstanding the foregoing, the Company will not discontinue the Roth contribution options or change the percent or form of current employer matching contribution to Roth contributions during the term of this Agreement, without bargaining with the Union.

**15.6(c)** Effective for payments made after July 1, 2016, eligible employees became eligible to elect to defer up to 100% (in whole percentage increments) of any Employee Incentive Plan payments or Lump Sum Award payments (made pursuant to Article 11) on a pre-tax or Roth basis into the Plan, subject to IRS contribution limits, at the employee's annual election and pursuant to procedures established by the Plan Administrator. No Company matching contributions will be made with respect to contributions from Employee Incentive Plan or Lump Sum Award payments. Employee Incentive Plan and Lump Sum Award payments eligible for deferral are limited to payments made before the end of the payroll cycle following an employee's termination of employment.

**15.6(d)** The Automatic Company Contribution was renamed the Special Company Retirement Contribution.

**15.6(e)** The Company matching contribution for all employees is equal to 75% of the first 8% of the employee base pay contribution, which is in lieu of, and not addition to, any previously applicable Company matching contribution.

**15.6(f)** Effective January 1, 2019, employees hired or rehired before March 1, 2013, became eligible for a Special Company Retirement Contribution under the Plan and were not eligible for any Special Company Retirement Contribution under this paragraph 15.6(f) prior to January 1, 2019. Each pay period the Company will contribute to the Plan an amount equal to a percent of the employee's eligible pay according to the following schedule. Eligible pay, for the purpose of calculating the Company contribution, is base pay, shift differential, Lump Sum Award payments (made pursuant to Article 11) and Employee Incentive Plan payments made on or after January 1, 2019.

<b>Contribution Period</b>	<b>Special Company Retirement Contribution</b>
Jan 1, 2019 – Dec 31, 2019	9%
Jan 1, 2020 – Dec 31, 2020	8%
Jan 1, 2021 – Dec 31, 2021	7%
Jan 1, 2022 and after	Under age 40: 3% <sup>(1)</sup> Age 40-49: 4% <sup>(1)</sup> Age 50 and older: 5% <sup>(1)</sup>

*Age at end of each year.*

Employees will be 100% immediately vested in the Special Company Retirement Contribution. An employee eligible for the Special Company Retirement Contribution under this paragraph 15.6(f) who subsequently becomes rehired after March 1, 2013 will be eligible for the Special Company Retirement Contribution under paragraph 15.9 upon rehire, and will no longer be eligible for the Special Company Retirement Contribution under this paragraph 15.6(f).

- For purposes of determining Plan eligibility, the employee will be considered hired before March 1, 2013, if:
  1. On an authorized leave of absence on February 28, 2013, and returns to active employment directly from that authorized leave of absence.
  2. On layoff on February 28, 2013, and returns to active employment within 6 years of the layoff date.
  3. An active employee on February 28, 2013, goes on an authorized leave of absence, and returns to active employment directly from that authorized leave of absence.
  4. An active employee on February 28, 2013, is laid off, and returns to active employment within 6 years of the layoff date.
- An employee is considered rehired if:
  1. The employee voluntarily terminates employment and is subsequently reemployed.
  2. The employee returns to work from layoff and the return date is more than 6 years after the date of layoff.
  3. The employee commences their retirement benefit during the layoff period and later returns to active status within 6 years of the layoff date.

**Section 15.7 Required Plan Amendments.** The Company reserves the right to amend the Plan to satisfy all requirements and laws applicable to the Plan, including but not limited to Section 401(a), Section 401(k) or any other applicable provision of the Internal Revenue Code of 1986, as amended, or to satisfy fiduciary duties under the Employee Retirement Income Security Act of 1974, as determined by the Company, or to satisfy federal and state securities laws.

**Section 15.8 Participant Elective Contributions Not Applicable for Other Purposes.** It is acknowledged that the election of a Member to convert a portion of his or her base pay under the terms of the Plan will be effective for purposes of this Plan and will reduce the Member's compensation insofar as certain payroll taxes may be applicable. However, for all other employment related purposes, including all of the Member's rights and privileges under this labor agreement, his or her base pay or compensation will be considered as though no election had been made.

**Section 15.9 Special Company Retirement Contributions for New Hires.** Employees hired or rehired on or after March 1, 2013, will be eligible for an additional Special Company Retirement Contribution in addition to a Company matching contribution described below (which Company matching contribution is inclusive of the Company matching contribution described in Section 15.6(e)).

Each pay period, the Company will contribute to the Plan an amount equal to a percent of the employee's eligible pay for the pay period, according to the schedule below. Eligible pay, for the purpose of calculating the Special Company Retirement Contribution, is base pay, shift differential, Lump Sum Award payments (made pursuant to Article 11) and employee incentive pay earned on or after March 1, 2013.

Age at End of Year	Special Company Retirement Contribution	Maximum Company Match (thru 12/31/18: 100% on first 4%; 50% of next 4%. Effective 1/1/19: 75% on the first 8%)	Total Company Contribution (assumes employee contributes 8% of pay)
Under age 40	3%	6%	9%
Age 40–49	4%	6%	10%
Age 50 and older	5%	6%	11%

Employees subject to this Section 15.9 who, on the date of ratification of this Agreement, are on the active payroll or an approved leave of absence of 90 days or less, shall receive an additional Special Company Retirement Contribution during the period January 1, 2019 through December 31, 2021. This additional limited-time Special Company Retirement Contribution shall be 3% (three percent) of the employee's eligible pay each pay period, over and above the 3%/4%/5% age-based contributions provided under this Section 15.9. Employees will be 100% vested immediately in this Special Company Retirement Contribution. An employee is considered hired on or after March 1, 2013, if the employee's most recent date of hire is on or after March 1, 2013 and the employee is not otherwise considered as hired or rehired before March 1, 2013 as described in Section 15.6(f).

**Section 15.10 Supplemental Savings Plan.** Effective January 1, 2019, the Company established The Boeing Company Supplemental Savings Plan ("SSP"), which is an unfunded "excess benefit plan" solely for the purposes of providing benefits that would have been provided under the VIP but for the limitations of Internal Revenue Code §415(c). The eligibility requirements, amount of benefits, time and form of benefit distribution and administrative provisions of the SSP mirror the provisions of the former Supplemental Benefit Plan for Employees of The Boeing Company that provided for benefits in excess of the limitations of Internal Revenue Code §415(c) in all material respects. The Company reserves the right to unilaterally establish, alter, amend, and/or modify any or all terms of the SSP as it deems necessary to comply with all applicable laws and regulations, at its sole discretion without further discussion or negotiation with the Union. All terms and conditions of the SSP, as may be so established, amended or modified, will apply to employees covered by this Agreement.

The Union understands that the SSP is a non-qualified deferred compensation plan under the Internal Revenue Code, and as such, employees who elect to participate in the SSP will be subject to special restrictions and election rules with respect to the VIP (including, but not limited to, restrictions on changing deferral elections during a plan year and electing to defer Employee Incentive Plan payments), in addition to restrictions on elections under and distributions from the SSP. The Company reserves the right to unilaterally alter, amend, and/or modify any or all terms of the VIP as it deems necessary to cause the SSP to comply with the Internal Revenue Code, but no such alteration, amendment or modification deemed necessary by the Company to comply with the IRC shall impact individuals who do not enroll in the SSP.

Nothing under the SSP will be subject to the grievance and arbitration procedure of Article 3.

**Professional Unit**  
**ARTICLE 16**  
**GROUP BENEFITS**

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**Section 16.1 Type of Group Benefits Package for Employees on the Active Payroll.**

The Company will provide until December 31, 2022, the Group Benefits Package agreed to in the collective bargaining agreement of February 11, 2016, between the Company and the Union as summarized in Attachment A of that Agreement. Thereafter, the Company will provide the life benefits, accidental death and dismemberment benefits, disability benefits, medical benefits and dental benefits for eligible employees and medical benefits and dental benefits for covered dependents of eligible employees as summarized in Attachment A to this Agreement, effective January 1, 2023, as the Group Benefits Package. The Company will provide access to the following plans on an optional basis: Supplemental Life Plan, Supplemental AD&D Plan, 10% Supplemental Long Term Disability Plan benefit, and Health Care and Dependent Care Spending Account Plans.

**Section 16.2 Cost of the Group Benefits Package for Employees on the Active Payroll.**

**16.2(a) Life, Accidental Death and Dismemberment, Short Term and Long Term Disability Benefits.** The Company will pay the full cost of the Basic Life Insurance, Accidental Death and Dismemberment, Short-term Disability and Basic Long Term Disability Plans for eligible employees. The Company will provide access to an employee-paid Supplemental Life Plan, Supplemental Accidental Death and Dismemberment Plan, a ten percent supplemental Long Term Disability Plan benefit, and Health Care and Dependent Care Spending Account Plans under the same terms, conditions and limitations as described in the Summary Plan Description for SPEEA in effect as of January 1, 2018. Company and employee cost will be based on SPEEA claims experience.

**16.2(b) Medical Benefits.**

**16.2(b)(1)** The Company and the Union are committed to controlling health care costs through joint efforts under the Joint Benefits Discussion Group. In support of these efforts, the Company will continue to share the cost of medical coverage with employees.

**16.2(b)(2)** Effective January 1, 2023, eligible employees will contribute, on a pretax basis, pay-based contributions based on the employee's annual base pay as of July 1, 2022, and every July 1 thereafter for subsequent plan years, as shown in the table below. For new hires after July 1, 2022, the first year contribution will be based on annual base pay upon hire.

<b>Annual Base Salary</b>	<b>Advantage+ health plan*</b>	<b>Traditional Medical Plan*</b>	<b>All Other Plans</b>
Pay Band 1: \$100,000 or less	0%	6%	12%
Pay Band2: \$100,000.01 to \$200,000	6%	9%	15%
Pay Band 3: \$200,000.01 or more	9%	12%	18%

\* Employee contributions will be based on the rates for the Advantage+ health plan and the Traditional Medical Plan, as applicable, regardless of geographic region.

1 **16.2(b)(3)** In locations where the Preferred Partnership network option is  
2 available, employee's monthly contribution for the Preferred Partnership will  
3 be reduced by \$30 for employee, \$60 employee + spouse or child(ren), or \$90  
4 employee + family (but in no event will the employee's monthly contribution  
5 be less than \$0).  
6

7 **16.2(b)(4)** Beginning January 1, 2018, there will be an additional contribution  
8 each calendar year as follows for employees and spouses, where applicable,  
9 who do not complete certain health and Well Being assessment activities.  
10

- 11 • Beginning in 2017 for the 2018 plan year, those health assessment  
12 activities will consist of 1) completing the online health assessment, and  
13 2) completing health screenings (e.g. blood pressure, cholesterol, blood  
14 glucose, and body mass).  
15
- 16 • The health assessment activities associated with this contribution  
17 provision may change from year to year without further bargaining and  
18 will be generally applicable on an enterprise-wide basis. The additional  
19 contributions will be as follows:  
20
  - 21 – For either employee-only coverage or employee + child(ren)  
22 coverage, the additional contribution will be \$20 per month if  
23 the employee does not complete the online assessment and  
24 screenings.  
25
  - 26 – For either employee + spouse or employee + spouse or  
27 child(ren) coverage, the additional contribution will be \$20  
28 per month if the employee does not complete both the online  
29 assessment and screenings, and an additional \$20 per month  
30 (\$40 per month total) if the spouse does not also complete the  
31 health assessment.  
32

33 Health assessment data shall be collected by a third party, and such data  
34 shall remain subject to HIPAA privacy laws at all times. Individual employee  
35 assessment results shall not be disclosed to Boeing employees. Boeing  
36 may receive de-identified aggregate assessment data for the purpose of  
37 administering the Boeing health and Well Being programs.  
38

39 **16.2(b)(5)** The employee is required to contribute an additional \$100 each  
40 month for medical coverage under the Group Benefits Package to enroll a  
41 spouse if the spouse is eligible for medical coverage under another employer-  
42 sponsored plan and waives such coverage. This \$100 contribution will not be  
43 required for a spouse who waived coverage under another employer-sponsored  
44 plan prior to eligibility for medical coverage under the Group Benefits Package,  
45 provided the spouse enrolls at the other plan's next enrollment period or,  
46 if earlier, at an enrollment date allowed by the other plan.  
47

48 **16.2(c) Dental Benefits.** The Company will pay the full cost of the Preferred Dental Plan,  
49 the Scheduled Dental Plan or Prepaid Dental Plan.  
50

### 51 **Section 16.3 Type of Retiree Medical Plan.**

52

53 **16.3(a)** The Company will continue the Retiree Medical Plan agreed to in the  
54 collective bargaining agreement of February 11, 2016, between the Company and  
55 the Union. For employees who are hired prior to January 1, 2007 and covered on  
56 or after January 1, 2007, the Company will provide until December 31, 2022, the

Retiree Medical Plan agreed to in the collective bargaining agreement of February 11, 2016, between the Company and the Union as summarized in Attachment B of that Agreement. Thereafter, for the duration of this Agreement the Company will provide the medical benefits for eligible retired employees and covered dependents of eligible retired employees as summarized in Attachment B of this Agreement, effective January 1, 2023, as the Retiree Medical Plan. The Company will also provide employees hired prior to January 1, 2007, access to the Medicare Supplement Plan.

**16.3(b)** Notwithstanding 16.3(a) above, any employee working in the Company's plants located in Weber and Davis Counties, Utah, on December 2, 2008 who was not eligible for company-subsidized retiree medical coverage prior to recognition of the collective bargaining unit under Article 1.1(b), shall not be eligible for retiree medical coverage under this Agreement; including those hired prior to January 1, 2007.

**Section 16.4 Cost of the Retiree Medical Plan.** The Company will share the cost of medical coverage for current and future eligible retired employees, as follows:

**16.4(a)** Effective July 1, 2003, Company and retired employee contributions will be as follows:

Subject to Section 16.4(c), for any coordinated care plan, exclusive provider organization/health maintenance organization plan coverage or the TRICARE Supplement Plan, retired employees will contribute \$10 for a retired employee only, \$20 for a retired employee and spouse, \$20 for a retired employee and child(ren), or \$30 for a retired employee and family. For Traditional Medical Plan coverage, retired employees will contribute \$20 for a retired employee only, \$40 for a retired employee and spouse, \$40 for a retired employee and child(ren), or \$60 for a retired employee and family. The Company will pay the cost of each plan in excess of the amount contributed by retired employees.

**16.4(b)** For employees who are hired from January 1, 1993 through December 30, 2006, the Company contributions are limited to three and one-third percent of the cost of the coordinated care plan, exclusive provider organization and/health maintenance organization plan, Traditional Medical Plan, or TRICARE Supplement Plan the retired employee chooses per year of service for the duration of the Agreement. Those retired employees pay the difference (the cost of the plan minus the Company contributions). However, they must make contributions not less than the amount specified in 16.4(c).

**16.4(c)** Notwithstanding Sections 16.4(a) and (b) above, with respect to employees eligible for the Retiree Medical Plan (in accordance with Section 16.3(a)), who retire on or after January 1, 2023 and during the term of this Agreement, will pay retiree medical contributions not less than the Pay Band 1 contributions for active employees, as set forth in the table in Section 16.2(b)(2) above. This subsection does not apply to the TRICARE Supplement Plan referred to Sections 16.4(a) and (b) above.

**16.4(d)** The retired employee is required to contribute an additional \$100 each month to enroll a spouse in the Retiree Medical Plan if the spouse is eligible for medical coverage under another employer-sponsored plan as an active employee and waives such coverage.

**16.4(e)** Company contributions will be made only for an eligible retired employee who retires during the term of this Agreement, provided the employee meets the eligibility requirements of the Retiree Medical Plan and is retired from or is deferring receipt of benefit payments from The Boeing Company Employee Retirement Plan, and either authorizes deduction of the balance of plan rates, if any, from his or her



1 retirement check or agrees to make timely self-payments for such coverage. Such  
2 Company contribution will continue for an eligible retired employee or eligible spouse  
3 reduced by retired employee contributions required under 16.4(a), 16.4(b), and 16.4(c),  
4 and the spouse contribution in 16.4(d), if any, until such eligible person attains 65 years  
5 of age or is earlier eligible for Medicare or until this Agreement expires, if earlier, and for  
6 a dependent child, until such dependent child is no longer an eligible dependent or  
7 earlier qualifies for Medicare, or until this Agreement expires, if earlier.  
8

9 **Section 16.5 Same-Gender Domestic Partners.** Effective January 1, 2017, the Company  
10 will no longer recognize same-gender domestic partners as eligible dependents under  
11 active or retiree health and insurance plans unless they marry or enroll in a fully-insured  
12 health care plan that is mandated by law to cover same-gender domestic partners or  
13 similar relationships. For purposes of this Article 16, a spouse will include a domestic  
14 partner when enrolled in a fully-insured health care plan or supplemental insurance plan  
15 that is mandated by law to cover domestic partners or similar relationships.  
16

17 **Section 16.6 Details and Method of Coverage.** The benefits summarized in the Group  
18 Benefits Package and the Retiree Medical Plan shall be procured by the Company under  
19 contracts and/or administrative agreements with insurance companies, health care  
20 contractors, or administrative agents which will be in the form customarily written by such  
21 carriers and administrative agents, and the Group Benefits Package and Retiree Medical  
22 Plan shall be subject to the terms and conditions of such contracts and/or administrative  
23 agreements, consistent with the summary in the Group Benefits Package or Retiree  
24 Medical Plan.  
25

26 Such contracts and/or administrative agreements will require the administrative agents  
27 to develop various programs and procedures designed to contain costs based on those  
28 portions of the Group Benefits Package and the Retiree Medical Plan which contain the  
29 requirement that charges are covered only on the basis of medical necessity. Such cost  
30 containment programs or procedures may be utilized to determine the medical necessity  
31 of the treatment itself, the appropriateness of the services provided, and the place of  
32 treatment or the duration of treatment. The administrative agents and the Company will  
33 announce each such program or procedure before it is required or available to the affected  
34 employees or retirees. Any such cost containment program or procedure will not operate  
35 to reduce or deny the benefit properly due or to shift the costs covered under the Plans to  
36 any eligible active employee or employee who retires during the term of this Agreement,  
37 or to his or her dependents.  
38

39 The failure of an insurance company, health care contractor, or administrative agent to  
40 provide any of the benefits for which it has contracted shall result in no liability to the  
41 Company, nor shall such failure be considered a breach by the Company of the obligations  
42 that it has undertaken by this Agreement. However, in the event of any such failure, the  
43 Company shall immediately evaluate the need to replace the services of such insurance  
44 company, health care contractor, or administrative agent.  
45

46 **Section 16.7 Administration.** The Group Benefits Package and the Retiree Medical  
47 Plan shall be administered by the insurance companies, health care contractors, or  
48 administrative agents with whom the Company enters into contractual relationships for  
49 the purpose of providing and/or administering the coverage contemplated by the Group  
50 Benefits Package or the Retiree Medical Plan and no question or issue arising under the  
51 administration of such Group Benefits Package or the Retiree Medical Plan or the contracts  
52 and/or administrative agreements identified therewith shall be subject to the grievance  
53 and arbitration procedures of Article 3 of this Agreement.  
54

55 **Section 16.8 Copies of Policies to Be Furnished to Union.** Copies of the policies,  
56 contracts, and administrative agreements executed pursuant to this Article 16 shall be

furnished to the Union and the coverages and benefits indicated in the Group Benefits Package or the Retiree Medical Plan, the rights of eligible employees in respect of such coverages, and the settlement of all claims arising out of such coverages shall be in accordance with the provisions, terms, and rules set forth in such contracts.

**Section 16.9 Federal or State Packages.** If during the term of this Agreement there is mandated by federal or state government a program that affords to employees and/or retirees covered by this Agreement similar benefits (such as but not limited to medical benefits and dental benefits) to those that are afforded by this Agreement, benefits afforded by this Agreement will be replaced by such federal or state program. The Company will comply with the provisions for the furnishing of such program to the extent required by law. No question or issue regarding the level of benefits under the state or federal program will be subject to the grievance and arbitration procedures of Article 3 of this Agreement.

**Section 16.10 Miami Employees.** The provisions of this Section 16.10 shall apply to Miami employees identified in Section 1.1(a) of Article 1 and employed as Product Review Engineers, Boeing Salaried Job Code 6H6B ("Miami Employees").

**16.10(a) Active Miami Employees.** Miami Employees' medical and dental benefits will remain unchanged from those in effect immediately prior to the date of ratification of this Agreement through December 31, 2022. Beginning January 1, 2023, active Miami Employees will be subject to the terms of this Article 16.

**16.10(b) Retiree Medical Benefits.** Notwithstanding Section 16.3(b) of this Agreement, any Miami Employee who was not eligible for company-subsidized retiree medical coverage prior to November 25, 2013, shall not be eligible for retiree medical coverage under this Agreement; including those hired prior to January 1, 2007.

**Professional Unit**  
**ARTICLE 17**  
**RETIREMENT PLAN**

**Section 17.1 Continuation of Plan.** Subject to the continuing approval of the Commissioner of Internal Revenue, to the extent available, and of other cognizant governmental authorities, as more particularly hereinafter specified, and to the provisions of 17.5, a Retirement Plan (hereinafter called the Plan) in the form now in effect as to the employees within the units to which this Agreement relates shall continue to be effective while this Agreement is in effect as to such employees in accordance with and subject to the terms, conditions, and limitations of the Plan.

**Section 17.2 Approval of Plan.** Approval of the Plan by the Commissioner of Internal Revenue as referred to in 17.1 means a continuing approval sufficient to establish that the Plan and related trust(s) are at all times qualified and exempt from income tax under Section 401(a) and other applicable provisions of the Internal Revenue Code of 1986, and that contributions made by the Company under the Plan are deductible for income tax purposes in accordance with law. The cognizant governmental authorities referred to in 17.1 include, without limitation, the Department of Labor, the Pension Benefit Guaranty Corporation and the Securities and Exchange Commission, and their approval means their confirmation with respect to any matter within their regulatory authority that the Plan does not conflict with applicable law.

**Section 17.3 Continuation Beyond Agreement.** The Company shall not be precluded from continuing the Plan in effect as to employees within the units to which this Agreement relates after expiration or termination of this Agreement, subject to the terms, conditions, and limitations of the Plan.

**Section 17.4 Grievances as to the Plan.** Only questions concerning the amount of Credited Service under the Plan that an employee has accumulated by reason of employment after the effective date of the Plan shall be subject to the grievance and arbitration procedure of Article 3.

**Section 17.5 Current Plan.** Subject to the approvals specified in 17.2, except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes required by applicable law, all current provisions of The Boeing Company Employee Retirement Plan (the "BCERP" or "Plan") applicable to employees covered by this agreement are to remain unchanged, including, but not limited to, the closure of the Plan to employees hired on or after March 1, 2013.

**17.5(a) Basic Benefit.** Effective January 1, 2017, the Basic Benefit increased to \$100 per month for all years of Credited Service for employees on the Active Payroll of the Company on January 1, 2017, or those on an Authorized Period of Absence on January 1, 2017 (including those who retire from the employ of the Company on January 1, 2017).

**17.5(b) Cessation of Credited Service.** Effective immediately after 11:59 p.m. on December 31, 2018, Credited Service (as defined in the BCERP) ceased to accrue for purposes of determining an employee's accrued benefit under the three benefit formulas in the BCERP. Service performed after December 31, 2018, continues to be counted for all other purposes under the BCERP, per the terms of the BCERP. All SPEEA represented BCERP participants on the active payroll, or an authorized leave of absence on December 31, 2018, became 100% immediately vested in his or her accrued benefit under the BCERP as of December 31, 2018.

Final Average Monthly Earnings continues to include the highest average Basic Annual Compensation Rate over any period of 60 consecutive months during the employee's last 120 months of service, and Employee Incentive Plan payments, per the terms of the BCERP. Likewise, Covered Compensation (used to calculate the Excess Benefit portion of the Final Average Benefit) continues to change, per the terms of the BCERP.

The Company may amend the BCERP to merge it with any other pension plan maintained by the Company. Any such merger will not adversely affect the benefits accrued by BCERP participants. The Company may amend the BCERP, from time to time, as it determines in its sole discretion to be necessary or appropriate to implement the cessation of Credited Service described above or to maintain the BCERP's tax-qualified status or otherwise comply with applicable law.

**Section 17.5(c) Lump Sum Award Included in Final Average Earnings.** The total amount of Lump Sum Award (LSA) payments made pursuant to Article 11 and before the employee's Termination of Employment, divided by 60, will be added to the employee's Final Average Monthly Earnings under the BCERP. LSA payments will be so included under the BCERP only to the extent paid during the 60 months immediately preceding the employee's Retirement Date to an employee who is represented by the Union at the time the LSA payment is made.

**Section 17.5(d) Lump Sum Payment Option and Small Lump Sum Automatic Cash-Out.** If the lump sum value of an employee's benefit under the BCERP is \$5,000 or less as of the later of January 1, 2017 or the employee's Termination of Employment, the benefit will automatically be paid in the form of a lump sum as soon thereafter as administratively feasible, in accordance with procedures established by the Plan Administrator in its sole discretion and subject to Internal Revenue Service rules governing direct rollovers of lump sums >\$1,000. This lump sum value represents the greater of the present value of the Employee's Accrued Benefit, or the present value of the Employee's immediate annuity payable.

In addition, effective January 1, 2017, employees represented by the Union at their Termination of Employment have the option to elect to receive their entire BCERP benefit in the form of a voluntary lump sum. The lump sum payments described above will be subject to the following:

- The voluntary lump sum option will be available at or any time following a Layoff or Termination of Employment.
- The voluntary lump sum option will be available to Surviving Spouses and Alternate Payees.
- The voluntary lump sum will be computed as the greater of (1) the present value of the Employee's Accrued Benefit, or (2), if applicable, the present value of the immediate annuity payable at an Early, Normal or Late Retirement Date, whichever Retirement Date applies to the employee at the distribution date (i.e., early retirement subsidies will be included if the employee is eligible to commence early retirement benefits as of the distribution date), in each case as applicable to the benefit payable to a Surviving Spouse or Alternate Payee when so payable.
- Interest and mortality shall be determined under Internal Revenue Code Section 417(e)(3), in accordance with Section 1.4(e)(2) of the BCERP.

- 1 • Employees will be allowed to roll over their entire lump sum into their  
2 existing VIP account.
- 3
- 4 • If the employee receives a lump sum, no other BCERP benefit shall be due  
5 with respect to the related Years of Service and Credited Service, and such  
6 service shall thereafter be disregarded. Further, if the employee receives a  
7 lump sum during a layoff period and later returns to active status within 6  
8 years of the layoff date, the employee will be considered as hired after March  
9 1, 2013 for purposes of Article 17 and thus ineligible to resume participation  
10 in the BCERP.
- 11
- 12 • In the event the Employee transfers to a non-SPEEA position, the BCERP  
13 lump sum option will remain available subject to any applicable collective  
14 bargaining agreement.
- 15

16 **Section 17.6 Administration of the Retirement Plan.** The Company shall have the  
17 right to unilaterally make any changes in actuarial assumptions and funding methods,  
18 provided such changes are determined by the Plan's enrolled actuary to be reasonable in  
19 the aggregate. The Company shall be entitled to unilaterally adopt such amendments to  
20 the Plan as may be required or would have been required in order to obtain any approval  
21 referred to in 17.1 and described in 17.2 of the Agreement.

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**Professional and Technical Units**

**ARTICLE 18**

**NON-DISCRIMINATION**

**Section 18.1 Non-Discrimination.** All terms and conditions of employment included in this Agreement shall be administered and applied without regard to race, color, religion, national origin, status as a disabled or Vietnam era veteran, age, sex, marital status, sexual orientation, or the presence of a disability, except in those instances where age, sex or the absence of a disability may constitute a bona fide occupational qualification.

Administration and application of the Agreement that is not in contravention of federal or state law shall not be considered discrimination under this Article.

**Section 18.2 Non-Discrimination Grievances.** Notwithstanding any other provision of Article 3, a grievance alleging a violation of this Article 18 shall be subject to the grievance and arbitration procedure of Article 3 only if it is filed on behalf of and pertains to a single employee. Class grievances under this Article 18 shall not be subject to the grievance and arbitration procedure under this Agreement.

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*Professional and Technical Units*

**ARTICLE 19**

**SEPARABILITY**

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**Section 19.1 Separability.** Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any decree by a court of competent jurisdiction, such invalidation of any such part or portion of this Agreement shall not invalidate the remaining portions hereof and they shall remain in full force and effect.

**Professional and Technical Units**  
**ARTICLE 20**  
**ED WELLS PARTNERSHIP**  
**A JOINT SPEEA/BOEING INITIATIVE**

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**Section 20.1 Mission.** The Company, the Union, and SPEEA-represented employees agree working together for their mutual benefit helps maintain competitiveness and technical excellence and creates a model for union/management collaboration to make Boeing a workplace of choice.

The Ed Wells Partnership develops and offers a suite of products and services to the technical workforce for the benefit of all stakeholders.

The Ed Wells Partnership will seek to develop and implement initiatives approved by the Joint Policy Board to achieve the following goals: Effective partnership; a skilled, motivated, productive and stable workforce; employability; lifelong learning; knowledge retention and sharing; and career development.

**Section 20.2 Joint Policy Board.** A Joint Policy Board will be established, comprised of an equal number of representatives of each party. The Board shall have responsibility for (1) providing the overall direction of the Ed Wells Partnership; (2) acting on the recommendations of the Joint Administrative Staff and providing oversight to the staff; and (3) determining the expenditure of funds provided to cover Ed Wells Partnership activities. The Board shall meet as required, but in no event less than quarterly.

**Section 20.3 Joint Administrative Staff.** The Company and the Union will appoint co-directors, who will assume responsibility for directing the Ed Wells Partnership activities. A Joint Administrative Staff shall be authorized by the Joint Policy Board and selected and managed by the co-directors within the budget as authorized by the Joint Policy Board.

**Section 20.4 Meetings.**

**20.4(a)** In order to meet its goals and aims, the Union must be able to speak confidently and authoritatively for its bargaining unit membership. Therefore, time will be allowed during the first week of employment for new hires into the bargaining unit to meet with a Union representative and learn about the Union's role in the Ed Wells Partnership, and by allowing regular quarterly meetings (up to two hours) of all Council Representatives on work time to discuss the issues facing the Partnership. The Joint Policy Board may authorize additional Council Representative participation in approved activities.

**20.4(b)** To ensure open communication, Union leaders will meet periodically with Company leaders of engineering and technical functions for the geographical areas covered by this Agreement. The purpose of such meetings will be to review the activities of the Ed Wells Partnership and its progress toward meeting the goals identified in 20.1, above. Additionally, the parties agree that high level meetings for the geographical areas covered by this Agreement will be held no less than twice annually to review the activities of the Ed Wells Partnership. Either party may suggest meetings with the Company's Office of the Chairman or others as appropriate and mutually agreed-upon.

**Section 20.5 Funding.** Each party shall be responsible for the salaries of its representatives on the Joint Policy Board; expenses of Board members may be covered by the fund where the expense was authorized by the Board (whenever possible, such expenses will be authorized in advance of expenditure).The Company will commit to annual minimum funding (covering all Boeing SPEEA represented bargaining units participating in the Ed Wells Partnership, including the Wichita Professional Unit) during the term of this agreement in support of the Ed Wells Partnership for the activities directed by the Joint Policy Board, to include facilities,



1 administration, publicity, equipment, materials, and such other expenses as may be agreed  
2 to by the Joint Policy Board. The annual minimum funding for the upcoming calendar year  
3 will be calculated on August 1st each year by multiplying the average monthly headcount  
4 covered by this section 20.5 over the preceding 12 months by a factor of 370 for 2020, 377  
5 for 2021, 385 for 2022, 393 for 2023, 401 for 2024, 409 for 2025, and 417 for 2026. In addition,  
6 work statement changes for the mutual benefit of the technical workforce and the Company  
7 may be allocated additional funds as deemed necessary by the Joint Policy Board, subject to  
8 approval of appropriate Company stakeholders.  
9

10 **Section 20.6 Retention Ratings and Salary Adjustments.** For a maximum of two years  
11 of employment, bargaining unit employees appointed to work at the Ed Wells Partnership  
12 will (a) retain the same retention rating held prior to entering the Ed Wells Partnership,  
13 unless management assigns the employee a higher retention rating, and (b) receive  
14 annual salary increases that are, at a minimum, equivalent to the negotiated salary pool  
15 for the period of such employment.  
16

17 **Section 20.7 Disputes.** Disputes concerning any aspect of this Article shall be referred to  
18 the Joint Policy Board for resolution. No matter involving the Ed Wells Partnership, or any  
19 provision of this Article will be subject to the grievance and arbitration procedure of Article 3.  
20

21 **Section 20.8 Business Practices.** The following business practices shall be applied:  
22

23 **20.8(a)** The Joint Policy Board shall establish an annual budget. The amount set  
24 forth in Section 20.5 shall be separately accounted for and may not be used for any  
25 other program.  
26

27 **20.8(b)** All labor and non-labor will be treated according to current Boeing  
28 accounting practices  
29

30 **20.8(c)** Labor support from other divisions will be burdened at the Boeing loaned  
31 labor rate.  
32

33 **20.8(d)** To the extent permitted by law, a trust fund will be established pursuant  
34 to the Taft-Hartley Act, 29 U.S.C. Section 186, to contract with the Union for services  
35 of any individual employed by the Union who is named to the administrative staff  
36 established by Section 20.3. The trust shall be established pursuant to a written  
37 agreement between the parties that complies with clause (B) of the proviso to 29  
38 U.S.C. Section 186(c)(5). In addition, the terms of any contract between the trust and  
39 the Union shall provide that the Union will be reimbursed for the services of these  
40 individuals on the basis of their base rate plus actual expenses for payroll taxes and  
41 the following employee fringe benefits: Union pension plan and package H and W  
42 insurance. The Company shall provide funds to the trust in a sufficient amount and in  
43 a timely manner to enable the trust to meet its contractual obligations to the Union.  
44

45 **20.8(e)** Individuals employed by the Union who are named to the administrative staff  
46 established by Section 20.3 shall be full-time, dedicated to the administrative staff.  
47 On an exception basis, such individuals may perform Union business for brief periods  
48 of time. Time spent performing Union business will not be reimbursed through the  
49 trust as described in Section 20.8(d). The individuals performing Union business shall  
50 keep contemporaneous records of the dates such business was performed and the  
51 amounts of time so spent, which records shall be presented to the Company with the  
52 monthly invoices for reimbursement.  
53

54 **Section 20.9 Confidentiality.** It is recognized by the parties that a free flow of  
55 information between them is necessary to insure the success of the Ed Wells Partnership.  
56

Information which could be disclosed to the Union and to the Union Administrative Staff includes information relating to inventions, products, processes, machinery, apparatus, prices, discounts, costs, business affairs or technical data that the Company considers as confidential. In furtherance of their objective to facilitate full participation of the Union in these programs while recognizing the sensitivity of the Company's confidential information, the parties agree that any such information shall be held in confidence by the Union and the Administrative Staff and shall be used by them solely for purposes of this program. All Union Administrative Staff shall be provided a copy of this Letter of Understanding and advised of their obligations under it.

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1 **Professional and Technical Units**

2 **ARTICLE 21**

3 **LAYOFF BENEFITS**

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5 **Section 21.1 Establishment of Plan.** The Company will maintain a Layoff Benefit Plan to  
6 provide for lump sum or income continuation benefits as set forth in this Article. Such Plan  
7 will apply to employees who are laid off with an effective date on or after October 7, 2012.  
8

9 **Section 21.2 Eligibility.** All bargaining unit employees who have at least one year of  
10 Company service and who are involuntarily laid off from the Company (including such  
11 employees who accelerate their layoff dates and employees laid off because of declining  
12 an offer for less than equivalent employment as defined by Company policy) are eligible  
13 to receive the benefit described in 21.3; provided, however, the following employees shall  
14 not be eligible for the benefit: employees who volunteer for layoff, except those who  
15 are laid off pursuant to Letter of Understanding related to Voluntary Layoffs; employees  
16 who upon their layoff become employed by a subsidiary or affiliate of the Company;  
17 employees who are laid off from the Company because of a merger, sale or similar transfer  
18 of assets and are offered employment with the new employer; employees who are laid  
19 off because of an act of God, natural disaster or national emergency; employees who are  
20 laid off because of a strike, picketing of the Company's premises, work stoppage or any  
21 similar action which would interrupt or interfere with any operation of the Company; and  
22 employees who terminate employment for any reason other than layoff, including, but not  
23 limited to, resignation, dismissal, retirement, death, or leave of absence.  
24

25 **Section 21.3 Amount and Payment of Benefit.** An eligible employee's total lump sum  
26 or income continuation benefit shall equal one week of pay based on the employee's base  
27 salary at the time of layoff (but excluding any shift differentials or other premiums) for  
28 each full year of Company service as of the employee's layoff date, subject to a maximum  
29 benefit of 26 weeks of pay. Eligible employees may elect either of the following:  
30

31 **21.3(a)** Benefits will be paid as a lump sum within a reasonable period of time  
32 following the effective date of layoff. Employees who accept the voluntary layoff  
33 pursuant to the Letter of Understanding related to Voluntary Layoffs shall be paid in  
34 a single lump sum. Employees who elect this option will have priority consideration  
35 recall rights under Article 8 canceled.  
36

37 **21.3(a)(1)** Income continuation benefits will be paid in 80 hour increments,  
38 subject to an employee's total benefit, on regular paydays beginning with the  
39 second payday following the effective date of layoff. Income continuation  
40 benefits shall immediately cease upon the earlier of any of the following events:  
41 exhaustion of the employee's total income continuation benefit; re-employment  
42 with the Company or any of its subsidiaries or affiliates; failure to accept a formal  
43 offer of recall from layoff within ten workdays after it is extended or by such later  
44 date as may be stipulated by the Company; failure to report to work on the date  
45 designated by the Company; or change in the employee's employment status  
46 from layoff to resignation, dismissal, retirement, death, or leave of absence.  
47

48 **21.3(a)(2)** Subject to continuation of the Plan, no employee shall be paid lump  
49 sum or income continuation benefits more than once during any three-year  
50 period; provided, however, if an employee is re-employed by the Company  
51 before payment of the employee's total income continuation benefit and is  
52 subsequently laid off in such three-year period under conditions which make  
53 the employee eligible for a benefit, any unused benefit will be payable to the  
54 employee under the procedures established by this Article.  
55  
56

**Section 21.4 Benefit Not Applicable for Other Purposes.** Periods for which an employee receives income continuation benefits shall not be considered as compensation or service under any employee benefit plan or program and shall not be counted toward Company service. Benefits under this Article may not be deferred into the Voluntary Investment Plan.

**Section 21.5 Continuation of Medical and Dental Coverage.** In the event of layoff, medical and dental coverage for employees and dependents will continue until the employee is covered by any other group medical or dental plan either as an employee or as a dependent, but in no event beyond three months after the date of layoff. However, if the layoff occurs during or after a leave of absence, the maximum total period of continued coverage is thirty (30) months in the case of medical leave or twenty-four (24) months in the case of non-medical leave, measured from the end of the month in which the leave of absence began, irrespective of the date of termination. Required contributions, if any, must be paid during any period of such continuation of coverage.

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**Professional Unit**  
**ARTICLE 22**  
**JOB CLASSIFICATIONS**

**Section 22.1 Authorized Job Classifications.** Each job classification listed in Appendix B shall, for the period of this Agreement, remain in effect, subject to revisions as provided in 22.4, unless made inactive by mutual agreement of the Union and the Company.

**22.1(a) Engineering Classifications.** When, pursuant to the provisions of Article 1, the Company classifies an individual in one of the Engineer classifications listed in Appendix B, it will give consideration to the nature of the work involved and the qualifications of such individual. Inclusion in these classifications shall be limited to those employees who, in the performance of their assigned work, regularly apply engineering disciplines to the research, design, development, test and evaluation of Company products or processes, and who satisfy the definition of "professional employee" as stated in Section 2(12) of the National Labor Relations Act as set forth below:

- "(a) any employee engaged in work (i) predominately intellectual and varied in character as opposed to routine mental, manual, mechanical, or physical work; (ii) involving the consistent exercise of discretion and judgment in its performance; (iii) of such a character that the output produced or the result accomplished cannot be standardized in relation to a given period of time; (iv) requiring knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study in an institution of higher learning or a hospital, as distinguished from a general academic education or from an apprenticeship or from training in the performance of routine mental, manual, or physical processes; or
- (b) any employee, who (i) has completed the courses of specialized intellectual instruction and study described in clause (iv) of paragraph (a) and (ii) is performing related work under the supervision of a professional person to qualify himself to become a professional employee as defined in paragraph (a)."

This Section shall not be construed as affecting the Company's unilateral right to select and determine the employees to be included in each classification listed in Appendix B, which right shall not be subject to Article 3. Nothing in Appendix B is intended to alter the historical scope of the unit as described in Article 1.

**Section 22.2 Definition of Job Classification.** A job classification is defined by occupation, job family, and level codes as identified within the Company's Salaried Job Classification (SJC) system.

**Section 22.3 Application and Intent of Job Descriptions.**

**22.3(a)** Occupations are the broadest categories of work. Job families describe the organization of tasks. Level guides identify the various levels of responsibility within the job family. Each job classification is linked to Skills Management Codes (SMCs) within the SJC system. SMCs identify unique knowledge, skills, abilities, and environments within the job family.

**22.3(b)** Each occupation code, job family code, level guide, and SMC is defined by a unique description as identified within the SJC system.

**22.3(c)** An employee may perform some of the work of a higher level and/or some of the work of a lower level in the performance of the work assignment. It is not anticipated that any employee will perform all the duties set forth in the job description. Any work assignment may include:

**22.3(c)(1)** Teaching, instructing, leading or providing assistance to others.

**22.3(c)(2)** The use of equipment to facilitate the work assignment.

**22.3(c)(3)** The submission of completed work or any portion thereof for checking or approval.

**22.3(c)(4)** The reporting of any work impairment such as errors in materials, processes, equipment, etc.

**Section 22.4 New or Revised Job Family, Level Guides, and SMC Descriptions.** If, after the effective date of this Agreement, the Company or the Union determines that no existing job family, level guide, or SMC description appropriately covers a new or reorganized work assignment, either party may initiate a request for evaluation and review through the established SJC Maintenance Process. The Union will participate as a voting member on the Company's SJC team in the identification, evaluation, and review of all proposed changes to job family descriptions and level guides for SJC job classifications listed in Appendix B, and their associated SMC descriptions. The Company will implement changes (1) by revising or deleting an existing job family, level guide, and/or SMC description; or (2) by developing a new job classification code, with supporting descriptions, which will be incorporated into Appendix B through the issuance of an installation memo; or (3) the Company will establish a temporary job classification and/or SMC in accordance with 22.4(b).

**22.4(a) Union Challenges of Level(s) for New or Revised Job Level Guide.** In the event the Union disagrees with the number or description of level(s) of a new or revised job level guide, it must, within thirty (30) calendar days from the date the new or revised level guide is forwarded by the Company, challenge the level, setting forth in writing the reasons why the Union disagrees. Otherwise, the level guide as determined by the Company will stand.

**22.4(a)(1)** If the Union challenges a new or revised level guide, the Company's Director of Compensation and Benefits, and his/her appointees, and Union representatives shall meet within forty-five (45) calendar days of the request for the purpose of attempting to reach agreement as to the appropriate level guide. Disagreements between the Union and the Company shall be resolved exclusively on the basis of the level guide assigned as a result of the Company's application of 22.4. A Union challenge shall in no way prevent or delay the Company from assigning personnel to the job classification involved in the challenge.

**22.4(a)(2)** If the Union challenges a new or revised level as submitted by the Company, and it is determined that the level is not correct, the Company will pay each employee involved at a rate that is within the range of the corrected level, for the time in which the employee has performed the duties of the corrected level.

**22.4(b) Temporary Job Family, Level, or SMC.** A temporary job family, level, or SMC may be established by the Company for new or revised work for which no current job family, level, or SMC is applicable and which requires a period of time to stabilize job duties. This period will not exceed ninety (90) days unless extended by mutual agreement. The Union will be notified of the effective date and approximate

1 duration. Employees will be assigned to such new work at not less than their current  
2 levels until the job family and level is made permanent. If the temporary job family  
3 code or level is made permanent at a higher level than the levels of the assigned  
4 employees, these employees will be paid within the range of the higher level for the  
5 time assigned to the work covered by the permanent job family or level. Effective  
6 upon and after the Company's determination that a temporary job family and/or  
7 level has become permanent, the provisions of 22.4 shall apply.  
8

9 **Section 22.5 Individual Employee's Job Classification.**

10  
11 **22.5(a)** It is a mutual objective of the Union and the Company that the job classification  
12 of each employee be an accurate and timely reflection of the work assigned and the  
13 demonstrated capabilities of the employee. However, the Company shall retain the  
14 exclusive right to reassign employees as necessary to meet work requirements, and  
15 employees shall comply with such reassignments notwithstanding the employees' job  
16 classifications of record at the time. If the Company determines, by reference to the  
17 applicable job family description, that an employee's level is higher than is appropriate  
18 for the work to which the employee is assigned, the Company may permit the employee  
19 to continue in the same assignment without reclassification for whatever period of time  
20 the Company elects; or the Company may add to the employee's current assignment  
21 or reassign the employee to other work for which the employee's level is appropriate.  
22

23 **22.5(b)** Because an employee may be assigned work at a level lower than the  
24 employee's current level without being reclassified to the lower level, the levels of  
25 work assignments of individuals other than the employee shall not be introduced  
26 or regarded as pertinent evidence for the purposes of 3.6(a), unless by mutual  
27 agreement of the parties.  
28

29 **22.5(c)** Employees may be reclassified to a higher level irrespective of their assigned  
30 retention rating.  
31

32 **22.5(d) Challenges Concerning Individual Employee's Job Family, Level, or SMC.**  
33 An individual employee may request a review of his or her job classification or level  
34 based on the contention the work assigned by the Company differs from the job  
35 classification or SMC to the extent and in such a manner as to warrant reclassifying  
36 the employee to a different existing job classification or skills management code.  
37 Employees will attempt to resolve classification first by discussion with first-line  
38 management. In the absence of a resolution mutually agreeable to both management  
39 and the employee, the following steps will be utilized in the review process:  
40

41 **22.5(d)(1)** If the employee contends that a classification or level issue still exists,  
42 he or she along with his or her Union Representative will notify the Skill Team  
43 Manager to request a review.  
44

45 **22.5(d)(2)** The Skill Team Manager will meet with the employee and the Union  
46 Representative to fully discuss the employee's issue in an effort to reach mutual  
47 resolution.  
48

49 **22.5(d)(3)** If the employee and Union Representative do not agree with the  
50 Skill Team decision, the Skill Team Manager, the appropriate Human Resources  
51 Representative and the Union Representative will meet to resolve the matter by  
52 a majority decision.  
53

54 **22.5(d)(4)** Short-term variations will from time to time occur in the amounts  
55 and types of work assigned to any activity, project, program or organization.  
56 Such variations, including, but not limited to, work assignment adjustments

made necessary by vacations and other employee absences, are recognized by the Union and the Company as conditions which justify the short-term assignment of employees to work that is different than the employees' current job family classification or level. Accordingly, individual job family classification or level challenges acceptable under the provisions of this Article 22 are limited to assignments of not less than thirty (30) continuous calendar days.

**22.5(d)(5)** If, subsequent to the processing of a challenge in accordance with 22.5(d), it is determined by the Company through the challenge that an existing higher level is appropriate, the Company will classify the employee and pay the employee at a rate that is within the range of the appropriate level for the time the employee has performed the work at the higher level subsequent to the date on which the notification required by 22.5(d)(1) was received by the Company and within thirty calendar days prior to that date.

**Section 22.6 Reclassification to a Lower Level.** The Company may in its discretion alter employee work assignments or reassign employees to lower-level bargaining unit work for which the Company deems they are qualified. In these cases, the employee shall retain their SJC level and will not be reclassified to a lower level. Reclassifications to lower levels may be made as a result of an employee's documented unacceptable performance.

**Section 22.7** The provisions of 22.4, 22.5, and 22.6 are not subject to the grievance and arbitration procedures of Article 3.



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**Professional and Technical Units**

**ARTICLE 23**  
**DURATION**

**Section 23.1 Duration.**

**23.1(a)** This Agreement shall become effective March 10, 2020, and shall remain in full force and effect until the close of October 6, 2026, and shall be automatically renewed for consecutive periods of one year thereafter, unless either party shall notify the other in writing, at least sixty (60) days and not more than ninety (90) days prior to October 6 of any calendar year, beginning with 2026, of its desire either (1) to amend this Agreement, or (2) to terminate this Agreement as of a date stated in such notice to terminate, which date shall be subsequent to such October 6 provided that, in any event, this Agreement shall expire at the close of October 6, 2030.

**23.1(b)** If either a notice to amend or a notice to terminate is timely given pursuant to 23.1(a), the parties agree to meet within thirty days thereafter for the purpose of negotiating an amendment to this Agreement or a new contract.

**23.1(c)** If a notice to amend is timely given pursuant to (1) of 23.1(a), either party may at any time thereafter notify the other in writing of its desire to terminate this Agreement as of a date stated in such notice to terminate, which date shall be subsequent to October 6 of the year in which such notice to amend is timely given and at least sixty days subsequent to the giving of such notice to terminate.

**23.1(d)** This Agreement and any amendment thereof pursuant to this Article shall continue in full force and effect until either (1) a new contract superseding it is consummated, (2) it is terminated by a notice to terminate timely given pursuant to clause (2) of 23.1(a) or 23.1(c), or (3) it expires, whichever shall first occur.

**23.1(e)** Contract Reaffirmance. The Company and the Union agree and commit that they will, within the period fifty nine (59) days before the expiration of the third and sixth anniversary and the expiration of the third and sixth anniversary of this Agreement, mutually sign and execute a written amendment to this Agreement, which expressly reaffirms this Agreement for its remaining stated term.

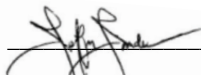
Signed at Seattle, Washington and dated this 10th day of March, 2020.

**SPEEA – IFPTE Local 2001**

**THE BOEING COMPANY**



Joel Funfar  
President



Jeff Janders  
The Boeing Company

**LETTER OF UNDERSTANDING NO. 1  
RELATING TO CHILD/ELDER CARE AND  
CHILD DEVELOPMENT PROGRAMS  
(Professional and Technical Units)**

The Company will continue a comprehensive Child and Elder Care program. The program consists of referrals of employees to licensed care facilities, consultation with employees to determine individual needs, and providing educational materials and programs.

The Company is developing people strategies to support individuals in the workforce and retain valuable employees with the end goal to make the Company more competitive. These strategies recognize that employee concerns about child care can affect an individual's productivity and work focus. To support these strategies, the Company has implemented a Child Development Program to build on other Company programs which support employees and their families.

As one element of the program, the Company has, in coordination with the Union, established two near-site day care centers (Everett and Renton/Longacres). The day care centers are operated by a third-party with fees charged to participating employees geared at an operations break-even level.

Additional components of the Company's Child Development Program include providing leadership to help improve the quality and availability of child care in communities where employees live and enhancing child care referral services through the existing Child and Elder Care referral program. Consideration will be given to adding other elements, such as collaboration by the referral program with day care providers and parents on evaluation of facilities and day care curriculum, assistance in extended/alternate hours, and assistance dealing with specific day care needs.

Finally, in an effort to assist employees' work-related needs, the Company and the Union agree to meet at least quarterly (if requested) to exchange concerns related to dependent care issues, including but not limited to issues arising due to employee movement to new or relocated Company facilities.

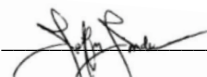
Dated: March 10, 2020

**SPEEA – IFPTE Local 2001**

**THE BOEING COMPANY**



Joel Funfar  
President



Jeff Janders  
The Boeing Company



<b>C. Training</b>	1
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1. The Company will maintain a drug- and alcohol-free workplace training course for its managers, human resource representatives, medical professionals, and DFW Focals. The training will be designed to:	3
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a. Identify the extent and impact of drug and alcohol use.	7
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b. Describe the principal federal legislation and regulations for a drug and alcohol free workplace.	9
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c. Identify the Company rules pertaining to drugs and alcohol and the appropriate action to be taken upon violation.	12
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d. Identify the principal components of the Drug and Alcohol Free Workplace Program (rehabilitation, awareness, training, and testing).	15
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e. Explain the Employee Assistance Program, opportunities for rehabilitation, and the consequences of rehabilitation failure.	18
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f. Explain the facts of drug and alcohol testing accuracy and procedures, such as the chain of custody.	21
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g. Enable participants to effectively apply observed and documented performance criteria and appropriate procedures in referring the employee to the Employee Assistance Program.	24
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h. Enable participants to effectively apply observed and documented criteria typically indicative of drug or alcohol use and apply appropriate reasonable suspicion testing guidelines in referring employees to Medical for medical observation and possible testing.	28
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i. Enable participants to apply appropriate post-accident testing guidelines in referring employees for testing.	33
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2. The training will not be designed to teach participants to be substance abuse experts or professional counselors.	36
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3. Union selected individuals, including but not limited to the Union's Executive Board, Council Representatives, and staff members, will be invited to participate in training. The Union will provide the Company with a list of those persons to be trained once a year.	39
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4. Whenever practicable, Union selected individuals and Company managers will be trained together.	44
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<b>D. Drug and Alcohol Testing</b>	47
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1. The Company will implement a drug and alcohol testing program designed to deter misuse and abuse and to provide a means for early identification, referral for treatment, and rehabilitation of employees with abuse problems, as outlined below.	49
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2. The Company will at all times comply with its policy and procedures and with applicable government laws and regulations designed to safeguard	54
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1 the accuracy and reliability of drug and alcohol testing and to protect the  
2 confidentiality of those tested. Specifically, the Company will follow applicable  
3 regulations (49 C.F.R. Part 40, "Procedures for Transportation Workplace Drug  
4 and Alcohol Testing Programs"). For drug testing, these cover:  
5

- 6 a. Collection procedures, including strict chain of custody to prevent  
7 mislabeling or alteration of urine samples and to account for  
8 the integrity of each sample from the point of collection to final  
9 disposition;
- 10 b. Use of a United States government certified laboratory with state-of-  
11 the-art testing methodologies, including confirmation testing using  
12 gas chromatography-mass spectrometry instrumentation;
- 13 c. Testing only for substances required by the regulations and for  
14 which the laboratory has been certified by the United States  
15 government, using government-mandated cutoff and confirmation  
16 levels; conducting validity testing to determine if the specimen has  
17 been adulterated or substituted;
- 18 d. Undertaking a quality assurance and quality control program  
19 designed further to ensure laboratory testing accuracy;
- 20 e. Periodic inspections of the laboratory;
- 21 f. Employment of qualified medical review officers (MRO) who are  
22 licensed physicians with knowledge of substance abuse disorders  
23 and with the medical training to interpret and evaluate a positive  
24 test result, medical history, and other relevant data for the purpose  
25 of verifying positive results, determining adulteration or substitution,  
26 and making return-to-work recommendations;
- 27 g. Giving the employee an opportunity to provide a legitimate,  
28 alternative medical explanation for the result. Should such an  
29 explanation be provided, the test result will be reported as negative;
- 30 h. Advising the employee of the opportunity to request analysis of  
31 the split sample within 72 hours of being notified of a positive  
32 result. The Company will pay for split specimen testing. Portions of  
33 the original specimen not subjected to the testing process will be  
34 placed in proper storage and retained by the laboratories in case  
35 subsequent testing is requested or required.
- 36 i. Ensuring confidentiality of test results, of information provided by  
37 the employee to the MRO, and of employee participation in the  
38 EAP in accordance with existing Company policy and the federal  
39 regulations; and
- 40 j. Retaining all confirmed positive specimens at the laboratory for at  
41 least one (1) year in accordance with the federal regulations.

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- 52 **3.** Alcohol testing will be conducted using breath samples. The instrument  
53 shall be approved by the Department of Transportation as an evidentiary  
54 breath testing device and used only by trained operators (Breath Alcohol  
55 Technicians). For alcohol testing, levels at or above .04 breath alcohol  
56 content will be considered positive (exception noted in para. 10).

4. The Company will conduct employee testing under the following circumstances:
- a. Reasonable suspicion drug and alcohol testing covering all employees. "Reasonable suspicion" means there is information that would cause a reasonable person to believe that an employee has used or is impaired by alcohol or drugs. The Company will use the following standards to determine when testing may be appropriate: signs of impairment to include but not limited to, difficulty in maintaining balance, distinct odor of drugs and/or alcohol, slurred speech, abnormal or erratic behavior, or apparent inability to do assigned work in a safe or satisfactory manner.
 

In addition, the Company will require that all information relied upon to initiate a reasonable suspicion test be documented prior to testing, that two designated individuals (at least one of whom has been trained as referenced in paragraph C.1) agree that testing is appropriate and sign required documentation, and that a trained medical professional examine the employee to determine if there is a medical condition requiring emergent medical care. In the event a Company location does not have a staffed medical facility when the employee is escorted for review, a trained manager will determine whether the employee should be escorted to an off-premises medical facility for the required evaluation.
  - b. Post-accident drug and alcohol testing or testing following a serious violation of a safety rule or standard, covering all employees. An employee may be tested when a work-related incident has occurred involving death, serious bodily injury or significant property/environmental damage, or the potential for death, serious injury, or significant damage, and when the employee's action(s) or inaction(s) either contributed to the incident or cannot be completely discounted as a contributing factor.
  - c. Random drug and alcohol testing of designated employees as expressly required by United States government agencies. The Company will comply with random testing standards set forth in applicable government agency regulations.
  - d. Follow-up drug and alcohol testing of all employees who (1) have a first-time verified positive drug or alcohol test (including refusal to test), or (2) have a discharge for performance or attendance problems held in abeyance.
  - e. Pre-assignment drug testing of employees selected to transfer into or otherwise perform in a position designated safety-sensitive, sensitive or mission critical for random drug testing, where pre-assignment testing is expressly required by United States government agencies.
5. Refusal to (a) complete the collection process following adequate explanation of the consequences of refusal, (b) accept EAP referral subsequent to a positive drug or alcohol test, (c) when required, accept or complete EAP treatment recommendations, or (d) accept the terms and conditions of the Compliance Notification Memo shall result in corrective action, up to and including termination of employment. Failure to appear immediately for testing, or refusing to take a test, will be considered the same as a positive result.

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6. For post-accident and follow-up drug testing only, the Company may utilize Point-of-Collection-Testing (POCT). Employees receiving non-negative POCT results will be immediately removed from duty, but the consequences of non-negative tests will remain dependent on the final results of laboratory testing.
  7. For reasonable suspicion and post-accident testing only, the employee has the right to request the presence of a Union Representative at the collection site. The Union Representative shall not in any way interfere with or otherwise obstruct the collection process. The parties agree that the collection may be delayed, for a period, not to exceed thirty (30) minutes, to await the arrival of the Union Representative. The thirty (30) minute period will commence when the Union, to include a Union Representative, is notified.

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### **8. Consequences of a Positive Test Result**

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- a. No employee will be discharged because of a first verified positive test result (to include refusal to test) except pursuant to D.4.d(2) above. Instead, the employee will be required to submit to EAP evaluation and, if recommended, will have a one-time opportunity to enter a treatment program. Such employees remain subject to corrective action, up to and including discharge, for independent reasons.
  - b. An employee who has a second verified positive test result within three years of the first such result or on a Company-administered test conducted after that period, normally will be discharged from employment.

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### **9. Procedure Following a Positive Test Result**

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- a. An employee will not be removed from continuous pay status because of a drug or alcohol test result until the Medical Review Officer or the Breath Alcohol Technician verifies the test result.
  - b. As part of the verification process, the MRO will attempt, in accordance with applicable regulations, to contact the employee to determine whether an acceptable medical explanation for the confirmed positive result exists. The MRO will review in confidence any information provided by the employee. If the MRO determines there is an acceptable medical explanation for the positive test result, the result shall be reported as negative with a safety concern. Medical personnel will evaluate the employee based on the MRO concern to ensure they can safely perform their duties. Should an accommodation be required, the company will work with the employee to ensure it is complete. DFW will treat this as a negative result.
  - c. After verification of a positive test result, the employee shall be given 24 hours to contact the EAP for an appointment so that an EAP assessment can be made. An appointment for an EAP assessment will be made. Failure to keep the appointment without an acceptable excuse will result in discharge from employment. The employee may be returned to work after an EAP evaluation is made and negative return to duty drug and alcohol test results have been received.

- d. The employee may not return to work until results on drug and alcohol tests administered by the Company are negative. A validated positive return-to-work drug or alcohol test will be grounds for discharge from employment.
- e. The employee is required to accept and comply with the terms of a Compliance Notification Memo.
- f. The employee is subject to follow-up testing as directed by EAP. A minimum of six (6) unannounced tests per year will be conducted for three (3) years of active payroll status following return to work.

**10. Procedure Following a Positive Alcohol Test**

An employee having a positive breath alcohol content of .02 or greater, but less than .04, will not be required to submit to an EAP evaluation or to other provisions of the drug and alcohol free workplace program, although voluntary participation will be encouraged. Such employees will, however, be removed from the assignment and suspended for the remainder of the shift. Such action shall be taken immediately when the Breath Alcohol Technician notifies management of the positive alcohol test result. If the employee's alcohol test result is .04 or greater, conditions described in paragraphs 8.a, 8.b, 9.a, and 9.c through 9.f above shall apply. If the employee is currently participating in a follow up program and the result is .020 or greater, they will be discharged.

**11. The Company and the Union agree to continue the Joint Alcohol and Drug Dependency Program as an integral part of the Company's drug- and alcohol-free workplace objectives. As part of that program, the parties agree to continue a Joint Advisory Committee to:**

- Review the drug and alcohol segments of the Employee Assistance Program on a regular basis, and
- Make recommendations on enhancing the effectiveness of those segments.


This advisory committee will be composed of two (2) Company representatives (including the Employee Assistance Program Administrator) and two (2) Union officials.

**12. The parties recognize that our practices must comply with 49 C.F.R. Part 40, "Procedures for Transportation Workplace Drug and Alcohol Testing Programs," as interpreted by the appropriate government agency. The Union reserves the right to grieve and arbitrate the question of whether the Company has appropriately applied the requirements of 49 C.F.R. Part 40.**

Dated: March 10, 2020

**SPEEA – IFPTE Local 2001**

**THE BOEING COMPANY**




Joel Funfar  
President

Jeff Janders  
The Boeing Company





# COMPLIANCE NOTIFICATION MEMO ("CNM")

This Compliance Notification Memorandum ("CNM") is being entered into pursuant to PRO 388. \_\_\_\_\_ is subject to the following requirements:

Employee Name

BEMSID

1. Employee is REQUIRED to contact the Employee Assistance Program (EAP) within 24 hours of issuance of this CNM. Failure to do so will result in termination of employment. EAP contact phone number will be provided to the employee when the CNM has been signed.
2. Employee will successfully complete the required treatment and/or training program specified by the Employee Assistance Program (EAP) Counselor, and any amendments to the specified program created by the EAP Counselor. Employee's satisfactory participation in the specified program is required as a condition of continued employment by The Boeing Company ("the Company"), and shall continue until such time as the Company's EAP or its designee determines that Employee's participation is no longer necessary. Changes in the EAP specified program shall be in writing and coordinated in advance with EAP. Any failure by Employee to participate satisfactorily in the EAP specified program (as determined at the sole discretion of EAP) or any violation of this CNM shall be sufficient grounds for Employee's termination of employment. Employee's cooperation with personnel and functions administering and monitoring the EAP specified program is required, and any failure by Employee to cooperate will be deemed a failure to participate satisfactorily in the EAP specified program.
3. Employee will be subject to unannounced follow-up drug and alcohol testing for a three year period that will begin when the return to duty drug and alcohol negative test results are reported to the Enterprise Drug Free Workplace office. A verified positive drug test result, a confirmed alcohol test result or a refusal to test determination on the return to duty tests or during the unannounced follow-up testing period will be grounds for Employee's termination of employment. An interruption in Employee's active employment status because of EAP treatment, layoff, resignation, leave of absence, or any other reason will extend the three year period by the duration of the interruption.
4. Employee acknowledges that medical personnel, or other personnel involved in monitoring Employee's compliance with this CNM, will be obligated to report to cognizant management information about any violation by Employee of the terms and conditions of this CNM.
5. Employee will continue to be subject to corrective action, up to and including termination of employment, for reasons not related to the matters addressed in this memo.
6. The Union (if applicable) and I waive any right to challenge any termination pursuant to paragraphs (1) or (3) through any court, arbitration, or other form of proceeding.
7. Employee  IS  IS NOT (check one) a member of a collective bargaining unit. Name of collective bargaining unit, if applicable: \_\_\_\_\_. Employee  REQUESTS  DOES NOT REQUEST (check one) union involvement in this matter.
8. Discharge in Abeyance is contingent upon the confirmation of substance abuse by an Employee Assistance Program Counselor.

DIA Attendance

DIA Performance

### ACKNOWLEDGMENT BY EMPLOYEE ACKNOWLEDGMENT BY THE UNION

Employee signature required. \_\_\_\_\_ (If Applicable)

I have received and read the above:

\_\_\_\_\_  
Signature of Employee

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Union Official Date

\_\_\_\_\_  
Printed Name of Employee

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Union Official Date

### ACKNOWLEDGMENT BY THE COMPANY CONCURRENCE OF EMPLOYEE ASSISTANCE PROGRAM (Required in Discharge in Abeyance only)

\_\_\_\_\_  
Signature of Company Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of EAP Counselor Date

\_\_\_\_\_  
Printed Name of Company Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of EAP Counselor Date

Original and all copies of CNM to be retained by the DFW Enterprise Office

**LETTER OF UNDERSTANDING NO. 3**  
**RELATING TO HEALTH AND SAFETY IN THE WORKPLACE**  
**(Professional and Technical Units)**

The Company and the Union recognize their mutual concerns for the health and safety of employees; for the exchange of information regarding issues of safety and health, such as the use and handling of hazardous materials and equipment in the workplace; and for the physical conditions under which the work is performed.

Therefore, the Union will nominate an individual to be a SPEEA representative on appropriate Product Sector SHEA committees at the Company's Kent, Auburn, Renton, and Everett sites. All nominees must be approved by the Company.

The Product Sector SHEA committees may, at their discretion, establish subcommittees as necessary to investigate health and safety concerns identified by Union-represented employees. The Product Sector SHEA committees will designate the members of any such subcommittee, which shall include at least one Union representative.

The parties' longstanding commitment to individual employee safety and regulatory compliance extends to issues regarding personal protective equipment and safety devices and the value of working together to create an injury-free workplace. To further this commitment, the Company will provide employees up to \$75 per year towards the purchase of approved safety shoes where such shoes are mandatory due to regulatory compliance or Company directive or with management concurrence of the request. The reimbursement process utilized will be the organization's existing process for reimbursement of incidental business expenses or any other mutually acceptable reimbursement process.

In addition, the Company agrees to present to the Union, not less than annually, a review of current issues regarding the physical work environment and the activities of the Corporate Safety, Health, and Environmental Affairs (SHEA) organization. The Union may request additional meetings in order to address its concerns. The agenda for each meeting shall be agreed to by both parties in advance of such meeting.

Dated: March 10, 2020

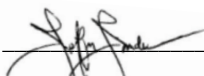
**SPEEA – IFPTE Local 2001**

**THE BOEING COMPANY**



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Joel Funfar  
President



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Jeff Janders  
The Boeing Company

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**LETTER OF UNDERSTANDING NO. 4  
RELATING TO DATA REPORTS  
(Professional and Technical Units)**

10 The Company will provide that data to the Union which is listed in the memorandum from  
11 the Company to the Union, dated October 31, 2008, subject to such revisions in the future  
12 as may be made by mutual agreement of the parties. Nothing herein is intended to waive  
13 any right the Union may have to receive additional data.

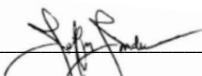
14 Dated: March 10, 2020

15 **SPEEA – IFPTE Local 2001**

15 **THE BOEING COMPANY**

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19 Joel Funfar  
20 President

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24 Jeff Janders  
25 The Boeing Company

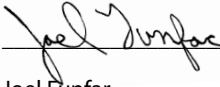
**LETTER OF UNDERSTANDING NO. 5**  
**RELATING TO REPRODUCTION OF CONTRACTS**  
*(Professional and Technical Units)*

The parties agree, in the spirit of labor/management cooperation, to equally share the costs of reproduction of the labor agreements as a combination of bound books and/or CD's.

Dated: March 10, 2020

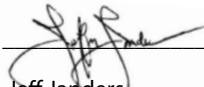
**SPEEA – IFPTE Local 2001**

**THE BOEING COMPANY**



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Joel Funfar  
President



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Jeff Janders  
The Boeing Company

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1 **LETTER OF UNDERSTANDING NO. 6**  
2 **RELATING TO EMPLOYMENT STABILIZATION, OUTSOURCING**  
3 **AND USE OF NON-BOEING LABOR**  
4 **(Professional and Technical Units)**  
5

6 The parties recognize that the foundation of a strong, competitive Company is in the  
7 stability and core capability of a Boeing direct engineering and technical workforce. The  
8 best assurance of employment stability is the continued development of the SPEEA-  
9 represented workforce balanced with the legitimate need for flexibility to successfully  
10 compete in a global market.  
11

12 The parties also agree that development opportunities such as lead roles, challenging technical  
13 assignments, and workforce development programs (knowledge transfer) for the Boeing  
14 workforce are key to retaining the capability to envision and implement future products.  
15

16 To ensure the statement of work commitments are met and to mitigate fluctuations in Boeing  
17 direct employment, assistance from a variety of technical resources may be necessary.  
18

19 Stability of the technical workforce remains a long term objective and will be accomplished  
20 through workforce development activities (e.g. Career Roadmaps, function specific  
21 training, and rotation programs), strategic staffing decisions, and continuous and active  
22 engagement of all employees.  
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24 To foster our commitment for active engagement, the parties have agreed to enhance the  
25 employment stabilization process through the Joint Workforce Committee to discuss and  
26 provide relevant, necessary information on a variety of workforce-related subjects, such  
27 as skills management, the Performance Management process, employment forecasts,  
28 current and future business and its influence on staffing strategies, the job posting and  
29 transfer process, workforce education, and new skills development training related to  
30 future skills and competencies. The committee will meet no less than quarterly.  
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32 The Company and Union also agree to the following:  
33

34 The Joint Company/Union Partnership Leadership Committee, including the  
35 respective leaders of Engineering for all Major Organizations, agrees to meet  
36 not less than twice annually with the Joint Workforce Committee to focus on  
37 issues relating to current and future business and their influence on staffing  
38 strategies.  
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- 40 • The Company approaches these meetings with the belief that it  
41 is in the best interest of our employees, Boeing, and the Union for  
42 our employees and the Union to be informed about the Company's  
43 general business strategies regarding the use of Non-Boeing labor  
44 and subcontracting that may affect bargaining unit employees, and  
45 for the Company to hear and consider the ideas of our employees  
46 and the Union about the same. Accordingly, in these meetings,  
47 the Company will discuss issues as noted above, as well as related  
48 subjects of mutual interest with the Union.  
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- 50 • These discussions will include a review of significant changes to  
51 subcontracting that the Company is considering that may affect  
52 bargaining unit employees. The Union will be given a reasonable  
53 opportunity to bring employees and staff (normally five or less in  
54 total, unless otherwise agreed) to these meetings to participate  
55 and to provide input during these discussions. In addition, it is the  
56

Company's desire to continue this dialogue outside of these meetings as necessary.

- The parties recognize that a variety of circumstances, including but not limited to, the emergent or competition sensitive nature of a requirement, may limit or prevent these discussions. The Union recognizes that the Company will move forward with these subcontracting and related decisions about the use of Non-Boeing labor, and that the Company's actions will be final and not be subject to Article 3.


With regard to the use of Non-Boeing Labor, the Company will respect and adhere to international labor standards, as expressed in The Boeing Company Code of Basic Working Conditions and Human Rights.

In summary, the parties recommit to providing for a short term and long term balance between the Company's need to successfully compete in a global economy and employees' expectations of employment security.

Dated: March 10, 2020

**SPEEA – IFPTE Local 2001**

**THE BOEING COMPANY**



Joel Funfar  
President



Jeff Janders  
The Boeing Company

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**LETTER OF UNDERSTANDING NO. 7**  
**RELATING TO PERFORMANCE REMEDIAL ACTION**  
**(Professional and Technical Units)**

In an effort to assist all employees in reaching their full potential, a process has been adopted to identify and constructively address performance deficiencies and/or an insufficient level of skills, knowledge, and abilities necessary for current assignments.

- This program includes:
- Notifying the employee of the performance deficiency through issuance of a Notice of Remedial Action form (NORA).
- Notifying the employee of the skills, knowledge and abilities necessary for current assignments.

Developing a clear and cogent program for the employee to correct the performance deficiency and/or acquire the necessary skills, knowledge, and abilities.

- Prior to issuance to the employee the proposed NORA shall be forwarded to the appropriate Employee Relations focal for review with the Union. Such review will include a discussion about the performance criteria identified in the NORA to be utilized by the Company in assessing the employee's ability to satisfy the NORA requirements and resolve the performance deficiencies.
- Employees will be provided a minimum of 30 calendar days (excluding any paid holidays) to improve their performance and meet the requirements of the NORA.

The manager or their designee will be available to participate in follow-up meetings with the employee, and the Union representative when requested and available, to provide status on progress.


When the manager concludes that the employee has failed to achieve the minimally acceptable performance for their classification the manager will communicate that conclusion to the appropriate Employee Relations representative to jointly determine what action will be taken. Such action may include discharge or reclassification when appropriate.

In accordance with the general objectives stated in Article 8, the Union and the Company agree that employees who are identified as having performance deficiencies or inability to acquire the necessary skills, knowledge, and abilities, may be terminated or, at the Company's option, may be declared surplus to the needs of the Company and placed on layoff in accordance with the layoff provisions of Article 8, irrespective of their retention rating. Employees laid off according to those provisions will retain all rights they may have under Article 3.

Dated: March 10, 2020

**SPEEA – IFPTE Local 2001**

**THE BOEING COMPANY**

  
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Joel Funfar  
President

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The Boeing Company

**LETTER OF UNDERSTANDING NO. 8  
RELATING TO VOLUNTARY LAYOFFS  
(Professional and Technical Units)**

- The Company and the Union agree that, any provision in the parties' Collective Bargaining Agreements to the contrary notwithstanding, the Company will establish a pilot Voluntary Layoff with modified benefits process that shall be distinguished from the specific benefits provided for employees laid-off involuntarily and that will be applicable to SPEEA-represented employees. These benefits will consist of the following:
- One week of pay for every one (1) year of service (up to a maximum 26 weeks of pay) to be paid as a single lump sum payable within a reasonable period of time following the later of the effective date of the layoff and the Company's receipt of a valid release and waiver;

Medical and dental coverage for laid off employees and their dependents will continue until the employee is covered by any other group medical or dental plan either as an employee or as a dependent, but in no event beyond three months after the date of layoff. However, if the layoff occurs during or after a leave of absence, the maximum total period of continued coverage is thirty (30) months in the case of medical leave or twenty-four (24) months in the case of non-medical leave, measured from the end of the month in which the leave of absence began, irrespective of the date of termination. Required contributions, if any, must be paid during any period of such continuation of coverage.

An employee classified in a job family and SMC that has been declared surplus may request that he or she be voluntarily laid off with modified layoff benefits if the request is approved by management subject to situational conditions and selection criteria as defined by the Company. The employee will be coded as a layoff and will be regarded for all Company purposes as a laid off employee (including for purposes of reporting to state employment security departments), entitled to receive layoff benefits provided under Article 21, except that the provisions of Article 21.3(a)(1) shall not apply and the provisions of Article 21.3(a)(2) shall apply only with respect to lump sum payments. The Union will be advised of all employees approved for voluntary layoff.

Dated: March 10, 2020

**SPEEA – IFPTE Local 2001**



Joel Funfar  
President

**THE BOEING COMPANY**



Jeff Janders  
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**LETTER OF UNDERSTANDING NO. 9**  
**RELATING TO TEMPORARY RECALL**  
***(Professional and Technical Units)***

The parties acknowledge that occasionally situations arise when short-term assignments require additional staffing. The Company in its sole discretion has from time to time preferred to have this work performed by employees on active recall status.

The parties agree to continue the process described immediately below.

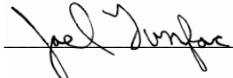
1. The process shall be known as Temporary Recall and shall be defined as the temporary re-employment of individuals on active layoff status (hereinafter "employees").
2. Temporary Recall assignments may be designated for specific programs or projects with a defined beginning and ending date. The normal minimum will be one month and the normal maximum will be six months. Assignments will normally be full time (average 80 hours in a pay period).
3. The Company will determine which employees will be offered Temporary Recall assignments. Temporary Recall will be strictly voluntary on the part of the employee. Refusing to consider an employee for Temporary Recall or an employee's rejection of an offer of Temporary Recall will not affect the employee's active layoff status.
4. Temporarily recalled employees will receive the same salary they were receiving prior to layoff, adjusted for any general wage increases implemented between the date of their original layoff and temporary recall.
5. If the temporarily recalled employee begins within one year of the original layoff effective date, eligibility for coverage for medical/dental insurance, life insurance, accidental death and dismemberment insurance, business travel accident insurance, long-term and short-term disability insurance, and voluntary personal accident insurance begins on the first day of the month following the month in which the re-employment commences. If the temporarily recalled employee begins at least one year after the original layoff effective date, eligibility for coverage for such benefits begins the first day of the month following one full calendar month of continuous employment.
6. With regard to the Retirement Plan, unused sick leave, and vacation, employees on Temporary Recall will be set up in the system based on their respective layoff/recall circumstances. This will include the reactivation of unused but earned credits and the generation of future benefits consistent with standard policies. Voluntary Investment Plan contributions may be resumed, beginning on the first of the month following recall.
7. Company service will be earned beginning the first day back on the active payroll.
8. Active layoff status will not be interrupted. Filing requirements once during each half year for first consideration recall status will remain.
9. Employees on Temporary Recall will not receive a retention rating based on Temporary Recall assignments.

10. Employees on Temporary Recall will generate funds for a selective adjustment exercise if they meet contractual criteria. 1  
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11. Employees on Temporary Recall will not be eligible for layoff benefits when their Temporary Recall assignment ends. 4  
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Dated: March 10, 2020 7

**SPEEA – IFPTE Local 2001** 8

**THE BOEING COMPANY** 9



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Joel Funfar  
President 10



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Jeff Janders  
The Boeing Company 11  
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**LETTER OF UNDERSTANDING NO. 10**  
**RELATING TO JOINT BENEFITS DISCUSSION GROUP**  
**(Professional and Technical Units)**

- The Company and the Union are committed to ensuring that employees have access to cost effective, quality health care coverage. Because of their ongoing concern about the quality of health care and costs, the parties agree to continue their Joint Benefits Discussion Group. The group will have an equal number of representatives, including a co-chair, from each party. When appropriate, health care experts and representatives from the Company's health plans will be invited to attend group meetings. Each party may have their benefits consultants and advisors attend group meetings. The group will meet at least twice each year to discuss issues related to the health care program. The group also will meet with health care providers to express the parties' interest in obtaining quality health care at affordable prices. Among the topics the parties will consider and discuss are:
  - Medical Plan experience, costs and trends.
  - Cost management programs, health plan and health care provider accountability for quality and efficiency .as well as prescription drug initiatives.
  - Measurement tools for evaluating health plans, including accreditation from a nationally recognized group such as the National Committee for Quality Assurance (NCQA).
  - Benchmark data from other employers.
  - Promotion of patient safety, care management and wellness initiatives designed to improve the health of employees and thereby reduce overall medical costs with the understanding that such health care initiatives will embrace certain medical plan design principles.
  - Roth 401(k) and investment fund options.

35 The Company agrees to share the interest of this Group relative to these issues.

36  
37 Other benefit issues including Article 15, Voluntary Investment Plan and Article 17,  
38 Retirement Plan, may be discussed from time-to-time at the request of either party.

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40 Dated: March 10, 2020

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42 **SPEEA – IFPTE Local 2001**

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42 **THE BOEING COMPANY**

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47 Joel Funfar  
48 President

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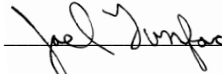
47 Jeff Janders  
48 The Boeing Company

**LETTER OF UNDERSTANDING NO. 11**  
**RELATING TO PART-TIME EMPLOYMENT**  
**(Professional and Technical Units)**

The Company and the Union agree that employee requests to be placed on part-time work schedules to assist employees with personal concerns may be authorized when compatible with Company schedules. The term "part-time work schedule" shall mean a work schedule consisting of a seven-day cycle with fixed days and hours of work that are less than forty (40) hours over one regular workweek, or a fourteen-day cycle with fixed days and hours of work that are less than eighty (80) hours over two regular workweeks that is not a Category II Work Schedule. No minimum or maximum number of hours will be required, but fixed days and hours of work must be established. A part-time work schedule must be approved by the employee's immediate and second-level management and is applicable only to the particular position the employee occupies when the schedule is approved. Approval of a part-time work schedule is subject to revocation at any time. Management may request an employee on a part-time work schedule to return to work on a full-time basis regardless of the employee's retention rating when part-time work is no longer appropriate.

Dated: March 10, 2020

**SPEEA – IFPTE Local 2001**



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Joel Funfar  
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2 **LETTER OF UNDERSTANDING NO. 12**  
3 **RELATING TO JOINT COMPENSATION DISCUSSION GROUP**  
4 **(Professional and Technical Units)**

5 The parties enter this letter of understanding to express their intent to continue their joint  
6 compensation discussion group.  
7

8 The discussion group shall meet no less than annually during the term of this Agreement.  
9 Subjects for discussion may include the Company's compensation philosophy, market  
10 relationships, and the salary planning process.  
11

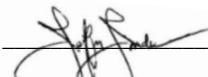
12 It is understood that the group is established solely for purposes of discussion, and that  
13 the group is not a forum for making recommendations or seeking agreement. Group  
14 discussions shall not reopen the parties' Agreement or affect Article 2 thereof.  
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16 Dated: March 10, 2020  
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18 **SPEEA – IFPTE Local 2001**

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23 Joel Funfar  
24 President  
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23 Jeff Janders  
24 The Boeing Company  
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**LETTER OF UNDERSTANDING NO. 13  
RELATING TO VIRTUAL OFFICE/TELECOMMUTING  
(Professional and Technical Units)**

The parties enter into this Letter of Understanding as a result of the implementation of the Virtual Office/Telecommuting Program. Following is a summary of the general provisions of this Program as they apply to exempt and non-exempt SPEEA-represented employees.

Telecommuting or "Work at Home" and other aspects of the Virtual Office have proven to be a viable work option that, when appropriately applied, benefit both the Company and the individual. The Virtual Office provides a balance between the tasks that are the responsibility of each individual and the requirements of each team and group.


The Virtual Office is a cooperative agreement between the manager and the employee, not an entitlement, and is based on (1) the needs of the job assignment, work group and the Company, and (2) the employee's past and present levels of performance and defined personal characteristics. Participation in the Virtual Office Program is entirely voluntary and may be terminated by the employee, his/her manager, or the Company at any time.

The employee's duties, obligations, responsibilities and conditions of employment with the Company remain unchanged. Employees remain obligated to comply with all Company rules, policies, practices and instructions. The detailed terms and conditions of this Program are covered in the Virtual Office Program procedure, PRO-497, which is subject to change at the Company's discretion. Disputes concerning the content of this Letter of Understanding shall not be subject to the grievance and arbitration procedure of Article 3. Nothing in this Letter waives any rights reserved in Article 2.

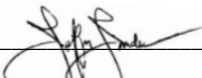
Dated: March 10, 2020

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Joel Funfar  
President



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**LETTER OF UNDERSTANDING NO. 14**  
**RELATING TO THE TRAVEL CARD PROCESS**  
**(Professional and Technical Units)**

9 The Company and the Union enter this Letter of Understanding to memorialize their  
10 agreement to continue to monitor the process of paying business travel expenses and  
11 their ongoing mutual commitment for improvements in the same.

12 The parties agree to continue their joint committee, consisting of two representatives  
13 each from the Company and the Union. The purpose of the committee is to review issues,  
14 suggest short term and long term process improvements, and address any concerns with  
15 the process. The committee will, through mutual agreement, recommend solutions to  
16 the Company's travel card process owners (currently Shared Services Travel Accounting/  
17 Finance Group). The committee will meet upon request of either party.

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1. The terms and conditions of the travel card process as described by the Company and the travel card provider will apply to employees covered by this Agreement. The Company will notify the Union of any changes to the travel card process. Employees will not be required to pay the travel card company for late fees when such fees are incurred due to situations outside the employee's control, or if the employee has made a good faith effort to pay the travel card company or resolve disputed payments in a timely fashion. Any dispute over the imposition of late fees will be subject to Article 3. In addition to the terms and conditions defined by the Company, the following provisions continue to apply to the travel card process:
  2. Employees will not be required to pay the card company for authorized business expenses before receiving payment from Travel Accounting so long as the delay in receiving that payment is due to the Company's neglect of factors outside the employee's control.
  3. Payment delinquencies will not be reported to a credit bureau.
  4. Authorized management may exempt employees who engage in extensive/frequent travel or for whom special circumstances exist from the decentralized billing process. Any employee shall be free to request an exemption.

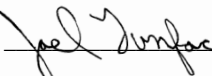
39 The Company will take reasonable steps to preserve the confidentiality of the employee's  
40 personal and financial information related to the use of the travel card, and will use such  
41 information only for legitimate business reasons. Such information will not be used for  
42 solicitations for activities not related to company travel.

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44 Dated: March 10, 2020

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46 **SPEEA – IFPTE Local 2001**

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47 **THE BOEING COMPANY**

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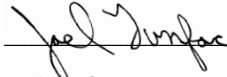
51 Jeff Janders  
52 The Boeing Company

**LETTER OF UNDERSTANDING NO. 15**  
**RELATING TO FREQUENT FLIER MILEAGE**  
**(Professional and Technical Units)**

The Company agrees that frequent flier mileage for business travel will be credited to personal employee accounts and may be applied towards personal travel. Employees must continue to comply with Company directives and Boeing Travel Office procedures including those designed to minimize travel-related costs without regard to frequent flier mileage program considerations.

Dated: March 10, 2020

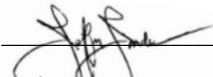
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Joel Funfar  
President

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**LETTER OF UNDERSTANDING NO. 16**  
**RELATING TO SPEEA ACCESS TO THE BOEING WEB**  
**(Professional and Technical Units)**

1. The parties hereby agree that SPEEA shall have access to the Boeing internal Web page. To that effect, the parties agree as follows:
2. SPEEA shall maintain the confidentiality of all information, data and computer programs ("Information Assets") to which SPEEA has access, along with any passwords or access procedures given to facilitate access to "authorized SPEEA users".
3. SPEEA shall only access the Information Assets specified by the Boeing Computing Access Focal Point, and then only in accordance with the access procedures.
4. SPEEA shall not access any other Information Assets not approved by the Boeing Computing Access Focal Point.
5. SPEEA shall not remove any Information Assets from Boeing computing systems, or delete, change or otherwise modify any Information Assets.

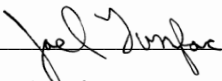
23 Access to Information Assets marked "Boeing Limited" or bearing Government classified  
24 markings is strictly prohibited.

25  
26 The Company may re-evaluate access at any time. Any decision by the Company to  
27 withdraw access shall not be subject to the provisions of Article 3.

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29 Dated: March 10, 2020

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31 **SPEEA – IFPTE Local 2001**

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31 **THE BOEING COMPANY**

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36 Joel Funfar  
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36 Jeff Janders  
37 The Boeing Company


**LETTER OF UNDERSTANDING NO. 17**  
**RELATING TO SALARY REVIEW CONSIDERATION**  
**UPON RETURN FROM LEAVE OF ABSENCE**  
*(Professional and Technical Units)*

The parties enter this Letter of Understanding to address the subject of consistency in salary review decisions for employees returning to work from approved leave of absence. The Company agrees to maintain a process to provide a consistent review of employees' salaries as they return to work from approved leave of absence, giving consideration to various factors, such as peer review, additional experience and education obtained, and other factors as deemed appropriate. The returning salary will include any contractual minimum increases paid during the time the employee was on an approved leave of absence, not to exceed three (3) years.

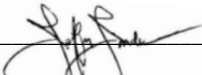
Dated: March 10, 2020

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Joel Funfar  
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**LETTER OF UNDERSTANDING NO. 18**  
**RELATING TO RETRAINING SKILL TRANSITION**  
**(Professional and Technical Units)**

18 Employees selected by management to participate in a program of formal training in a  
19 field outside their current job family and SMC, which training is conducted or approved  
20 by the Company, and employees who at management's request transfer from one major  
21 functional area to another for a Company-sponsored skill transition and retraining program,  
22 will be assigned a unique SMC upon entering the training program or upon transfer to the  
23 new functional area respectively. The trainee shall retain this unique SMC for a period of  
24 six months following completion of training or transfer to the new functional area, as the  
25 case may be, in order to allow time for the trainee to demonstrate his/her adaptability to  
26 the new assignment.

27 During the period in which the trainee is assigned the unique SMC, he or she will retain the  
28 retention rating held at the time of assignment to the unique SMC.

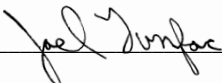
29 In the event a surplus is declared in the trainee's new assignment and if the trainee's  
30 retention rating would cause him or her to be an individual surplus, the trainee will  
31 be returned for assignment to an area under his or her last held regular assigned job  
32 classification and SMC and the retention rating of record.

33 Dated: March 10, 2020

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Joel Funfar  
President

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**LETTER OF UNDERSTANDING NO. 19**  
**RELATING TO TECHNICAL EXCELLENCE PROGRAM**  
**(Professional and Technical Units)**


The Company agrees to maintain a Technical Excellence Program for the purpose of recognizing individuals who have developed a high level of technical skill and a work history of outstanding technical accomplishments. The Company will maintain the standards and criteria to be used to identify such individuals, and the recognition to be accorded them. The Company will give consideration to the Union's views on said standards, criteria, and recognition.

Claims that employees are qualified for recognition in the Technical Excellence Program shall not be subject to Article 3.

Dated: March 10, 2020

**SPEEA – IFPTE Local 2001**

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Joel Funfar  
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**LETTER OF UNDERSTANDING NO. 20  
RELATING TO EMPLOYEE INCENTIVE PLAN  
(Professional and Technical Units)**

18 Eligible employees covered by this Agreement may participate in The Boeing Company  
19 Employee Incentive Plan ("EIP") for the duration of this Agreement as set forth below and  
20 subject to this Letter of Understanding and the terms of the EIP.

21 Employees will be eligible to participate in accordance with the governing provisions of  
22 the EIP as set forth in the official plan document. In the event of any conflict between this  
23 Letter of Understanding and the official EIP plan document, the official EIP plan document  
24 will prevail in every case.

25 The Board of Directors of the Company reserves the right to amend, modify, or terminate  
26 the EIP in its sole discretion. All terms and conditions of the EIP, as it may be amended or  
27 modified, will apply.

28 The Company shall not be required or obligated to provide any information to the Union  
29 that the Company determines to be proprietary or confidential, including but not limited  
30 to information regarding cost, pricing, and/or other financial information or data. Any  
31 information regarding cost, pricing, and/or other financial information or data will be  
32 provided at the Company's discretion if the Company deems it necessary or appropriate for  
33 Union review. If the Company so determines that such information should be released, the  
34 Union and/or its representatives may necessarily be required to execute a confidentiality  
35 agreement before such information is released. Any information that is released to the  
36 Union and/or its representatives will be held confidential and shall not be utilized by the  
37 Union and/or its representatives for any purposes that do not directly relate to the EIP.

38 On February 7, 2020, senior management of the Company recommended to the  
39 Compensation Committee of the Board of Directors of the Company (the "Committee")  
40 that the Committee approve an award percentage payable upon achievement of a target  
41 performance score of 1.0 equal to 5%, which change has been approved contingent  
42 upon and subject to ratification of the contracts. Consistent with past practice, the  
43 Compensation Committee will continue to determine EIP payouts based on the same  
44 Company and Business Unit performance targets as those applied on an enterprise-wide  
45 basis under the various Company incentive programs.

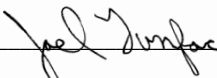
46 Nothing in this Letter of Understanding or employee participation in the EIP will be subject  
47 to the grievance and arbitration procedure of Article 3.

48 Dated: March 10, 2020

49 **SPEEA – IFPTE Local 2001**

50 **THE BOEING COMPANY**

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Joel Funfar  
President



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Jeff Janders  
The Boeing Company

**LETTER OF UNDERSTANDING NO. 21**  
**RELATING TO JOINT COMMITMENT ON EMPLOYMENT SECURITY**  
**(Professional and Technical Units)**

Reductions in employment in Commercial Airplanes have been very painful for everyone involved. The negative effects on both morale and productivity have been substantial. This, along with uncertain economic conditions, has resulted in a great deal of focus on both job security and our future.

SPEEA and the Company understand the impact these issues have had on employees, their careers and Boeing's overall performance. Therefore, we have developed constructive approaches to address them. The foundation of our company's success is the technical workforce, and it is clear that business success starts with commitment to people first. This commitment must be demonstrated by our actions, and our agreement to form a real partnership was an important step forward.

- As we know, job security is enhanced by preparing ourselves to compete more effectively in a dynamic, global marketplace. SPEEA and the Company are jointly committed to a number of critical initiatives where we will work together for the mutual success of employees, SPEEA and Boeing. These include:
  - Breakthrough improvements in productivity and morale through effective utilization
  - Retention and transfer of key knowledge
  - Exploring more effective ways to link compensation to productivity
  - Improved approaches to increase stabilization of employment levels

**Life-long learning as an investment in our knowledge and skills and an avenue for retraining**

As we define and implement these key initiatives, our desire is that we use attrition whenever practical to accomplish any further reductions in employment and avoid layoffs in the future. We are committed to exploring new and innovative approaches to employment transitions. Due to the cyclical nature of our business, it is difficult to predict and control conditions that affect employment levels. Therefore, to the extent practical, the Company will provide job transition support and services to the technical workforce affected by employment reductions through, but not limited to, the following:

- Skills retraining (Ed Wells Partnership)
- Career Transition Services
- Career Counseling
- Resume preparation
- Boeing Enterprise Staffing System (BESS)
- Intellectual capital management
- Skills management through Process Councils and Skill Teams

- Partnerships with local educational institutions
- Financial counseling
- Medical benefits continuation

**Income benefits continuation**

We will continue programs for knowledge retention and transfer and skill retraining to support employees as Boeing transitions over time. We have committed additional funds to the Ed Wells Partnership. We will also commit to continued discussions in our Joint Workforce Committee on these important topics.

Lastly, we will continue to work together to build a positive and successful future for our company and our team.

Nothing in this Letter of Understanding will be subject to the grievance and arbitration procedure of Article 3.

Dated: March 10, 2020

**SPEEA – IFPTE Local 2001**

**THE BOEING COMPANY**



Joel Funfar  
President



Jeff Janders  
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**LETTER OF UNDERSTANDING NO. 22**  
**RELATING TO OVERTIME**  
**(Professional and Technical Units)**

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It is understood that the authority of the Company to require overtime is necessary for business planning and meeting operational objectives. The parties recognize, however, that the exercise of this authority may affect employee productivity.

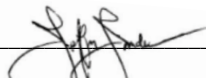
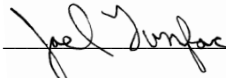
Accordingly, the Company and SPEEA agree, subject to the exceptions noted below, that no employee shall normally be required, and need not be permitted, to work more than 144 overtime hours in any budget quarter, more than two weekends consecutively without the next weekend off, or more than 8 hours on a Saturday or a Sunday. Overtime work on either a Saturday and a Sunday, or a Saturday or a Sunday, shall constitute a weekend worked. All overtime on a holiday as set forth in Section 7.1 of the Agreement or on the weekend which immediately precedes a Monday holiday or immediately follows a Friday holiday shall be voluntary.

All overtime in excess of the above limits shall be strictly on a voluntary basis and no employee shall suffer retribution for refusal or failure to volunteer. An employee may be required to perform overtime work beyond the above limitations where necessary for delivery of Company products to a customer, where necessary for the timely submission of proposals where related to customer-requested emergency repair of delivered products, or for Government DX or Government DO rated orders.

Dated: March 10, 2020

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Joel Funfar  
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**LETTER OF UNDERSTANDING NO. 23**  
**RELATING TO EXTENDED TRAVEL / STOPOVERS**  
*(Professional and Technical Units)*

13 Employees whose scheduled travel is greater than twenty (20) hours shall be permitted  
14 to schedule a stopover rest period generally not to exceed twelve (12) hours, before  
15 continuing travel on the next available flight. In lieu of a stopover, the employee will be  
16 allowed ten (10) hours between the time of arrival at the destination and the time they  
17 report to work. Exceptions to this provision may be made at management's discretion  
18 when management determines the trip to be an urgent travel requirement (e.g. AOG  
19 situations)

20  
21 Employees returning home from a travel assignment where the scheduled travel is greater  
22 than twenty (20) hours will be allowed twelve (12) hours between time of arrival at the  
23 home terminal, and the start of their next regular shift assignment. Employees will be  
24 granted time off with pay for any unworked portion of their assigned shift that falls within  
25 this twelve-hour period provided they report for work; except that, where the twelve-hour  
26 period extends beyond the end of the employee's regularly scheduled lunch period, the  
27 employee will not be required to report for work and will be paid for the entire shift.

28 Dated: March 10, 2020

29 **SPEEA – IFPTE Local 2001**

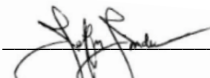
30 **THE BOEING COMPANY**

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Joel Funfar  
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**LETTER OF UNDERSTANDING NO. 24**  
**RELATED TO THREAT OF VIOLENCE**  
**(Professional and Technical Units)**

In Threat of Violence (TOV) cases, where an employee is removed from the workplace, the company commits that the subject employee will not be without pay for more than two (2) calendar weeks.

Should the investigation/evaluation period extend beyond the two (2) calendar week period, the employee will be paid at their normal base rate for such time.


The company retains the right to administer corrective action if appropriate. Time in no-pay status shall not normally exceed the corrective action period.

The Company remains committed to work with the Union in an effort to minimize the amount of time employees would be off work without pay during the investigative/evaluation period. Accordingly, the company commits to notify SPEEA within 24 hours of a member being removed from the workplace for a TOV case.

Dated: March 10, 2020

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Joel Funfar  
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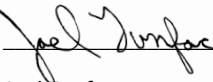
**LETTER OF UNDERSTANDING NO. 25  
RELATING TO SEX CRIMES  
(Professional and Technical Units)**

The Company and the Union recognize (1) the growing awareness and abhorrence in our society of sex crimes victimizing children, and (2) the deleterious effect the presence in the workforce of perpetrators of such crimes would have on the efficiency and morale of professional/engineering and technical employees of the Company and on the reputation of the Company and its products. The parties therefore agree as follows:

1. Any discipline or discharge of a Union-represented employee who has committed a sex crime victimizing a child or children shall be deemed to be for "just cause" and shall not be subject to the grievance and arbitration provisions of the parties' collective bargaining agreements or to any other challenge or proceeding by the Union.
2. For purposes of this Letter of Understanding, the term "sex crime victimizing a child or children" includes rape, sexual assault, statutory rape, incest, child molestation, child pornography, public indecency, indecent exposure, indecent liberties, communications with a minor for immoral purposes, promoting prostitution, and similar crimes as defined in the jurisdiction in which the offense is committed, where the victim of said crime(s) is under the age of 18 years at the time of the commission of the crime(s). An employee shall be considered to have committed such a crime if the employee is convicted of the crime, or if the employee pleads guilty or nolo contendere to the crime, or if the employee enters a special supervision program pursuant to a deferred prosecution arrangement relating to the crime.
3. The provisions of this Letter of Understanding shall not be deemed to define "just cause" or to affect the grievance and arbitration provisions in any other respect whatsoever, nor shall it be introduced or relied upon in any arbitration or other proceeding involving the parties which does not deal with the discipline or discharge of an employee who has committed a sex crime victimizing a child or children.

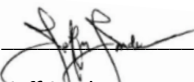
Dated: March 10, 2020

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**LETTER OF UNDERSTANDING NO. 26**  
**SAME-SEX SURVIVOR BENEFITS**  
*(Professional and Technical Unit)*

Recognizing Boeing’s commitment to equality without regard to sexual orientation, Boeing will, effective upon ratification of this agreement, extend pension survivor benefits to all spouses, as defined under either State or Federal law, whichever defines the same sex person as a spouse.

Dated: March 10, 2020

**SPEEA – IFPTE Local 2001**

**THE BOEING COMPANY**



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**LETTER OF UNDERSTANDING NO. 27  
RELATING TO ADOPTION ASSISTANCE PLAN  
(Professional and Technical Units)**

Eligible employees covered by this Agreement may participate in The Boeing Company Adoption Assistance Plan beginning May 1, 2016 and thereafter for the duration of this Agreement, as set forth below and subject to this Letter of Understanding and the terms of the Adoption Assistance Plan.

Employees will be eligible to participate in accordance with the governing provisions of the Adoption Assistance Plan as set forth in the official plan document. In the event of any conflict between this Letter of Understanding and the official Adoption Assistance Plan document, the official Adoption Assistance Plan document will prevail in every case. The Adoption Assistance Program currently reimburses up to \$5,000 of eligible adoption expenses per adoption, up to two adoption reimbursements per employee. The employee is responsible for any applicable income tax.

The Company reserves the right to unilaterally amend, modify, or terminate the Adoption Assistance Plan in its sole discretion without further discussion or negotiation with the Union. All terms and conditions of the Adoption Assistance Plan, as it may be amended or modified, will apply.

Nothing in this Letter of Understanding or employee participation in the Adoption Assistance Plan will be subject to the grievance and arbitration procedure of Article 3.

Dated: March 10, 2020

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**LETTER OF UNDERSTANDING NO. 28**  
**RELATING TO WORK MOVEMENT**  
***(Professional and Technical Unit)***

The Parties recognize that one of the foundations of a strong, competitive Company is the stability and core capability of its engineering and technical workforce. They also recognize the Company's history and commitment to the Puget Sound and the value of our engineering and technical workforce at all our locations, as well as the legitimate need for flexibility to successfully compete in a global market. The Parties understand that the cyclical nature of the Company's business often makes it difficult to predict and control necessary employment levels. The Company and the Union have therefore entered into the following Letter of Understanding to address their mutual interest in maintaining a stable workforce while providing the flexibility necessary to thrive in an increasingly competitive landscape.

In furtherance of those mutual objectives, the Company agrees that active employees within the bargaining unit as of February 11, 2016 will not be laid off because of the movement of their current work assignment to a location outside of the bargaining unit or the current state in which it was performed, except as outlined in the limited circumstances described below. If the Company determines that relocation of current work assignments may be necessary, the company will provide the union with a list of employees by BEMS ID that may be impacted. The Company will exercise all reasonable diligence to offer impacted employees comparable positions within the bargaining unit in which they are currently employed and for which they are qualified. The Company will engage in a redeployment evaluation for a period of no less than one hundred and twenty (120) days before any impacted employee is laid off.

If, after the redeployment period described above, the Company determines that an alternative position is not available, the Company will select the affected employee(s) to be laid off, and employees so selected will be offered an enhanced layoff benefit under the Layoff Benefit Plan. The enhanced layoff benefit will provide for two (2) weeks of pay for every one full year of service with the Company, up to a maximum of sixty (60) weeks, as well as six (6) months of continued medical and dental coverage. Impacted employees will be eligible for a minimum of twenty-six (26) weeks of severance. The enhanced severance payment shall be paid as a single lump sum payable within thirty (30) days following the later of the effective date of the layoff and the expiration of any legally required waiting period that is set out in a valid release and waiver received by the Company, which release and waiver will be provided by the Company prior to the effective date of layoff. Such enhanced severance payment and continued medical and dental coverage shall replace the severance payment and medical and dental coverage provided in Article 21, but will otherwise be subject to the terms of that Article. With the exception of the enhanced payment described above, the Company agrees that the provisions of Article 8.5(f) shall not be interpreted to limit the Company's obligation under this Letter of Understanding.

The Company may, in its sole discretion, elect to offer employees impacted by work movement the option to accelerate the redeployment period and voluntarily accept an enhanced layoff benefit package.

Nothing in this Letter of Understanding shall be construed to restrict layoffs not occurring because of the movement of work, or to otherwise restrict the Company's discretion to manage its workforce, to determine the location of work or the occurrence and existence of any condition necessitating a workforce reduction, or the placement of future work, nor shall it require the Company to discontinue or relocate any work that is performed

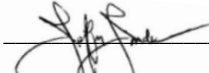
1 outside of the bargaining units currently. This Letter of Understanding shall not apply to  
2 employees who have moved to comparable positions and were then laid off for reasons  
3 other than work movement.  
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5 Dated: March 10, 2020  
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12 Joel Funfar  
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**LETTER OF UNDERSTANDING NO. 29**  
**RELATING TO MIAMI EMPLOYEES**  
**(Professional Unit)**  
**ARTICLE 15**

**VOLUNTARY INVESTMENT PLAN**

Until January 1, 2022, Miami employees identified in Section 1.1(a) of Article 1 and covered by this Agreement as of the effective date shall not be subject to the provisions of Sections 15.6(f) and 15.9 of Article 15, which shall be replaced by the following transitional provisions:

Each pay period the Company will contribute to the VIP the following percent of the employee's Eligible Pay for that period:

<b>Contribution Period</b>	<b>Special Company Retirement Contribution</b>
January 1, 2016 – December 31, 2016	9% (nine percent)
January 1, 2017 – December 31, 2017	8% (eight percent)
January 1, 2018 – December 31, 2018	7% (seven percent)
January 1, 2019 – December 31, 2021	Under age 40: 3% Age 40-49: 4% Age 50 and older: 5%

Eligible Pay is base pay, shift differential, and EIP payments paid on or after January 1, 2016, and before the end of the payroll cycle following his or her termination of employment.

A Miami employee eligible for this Special Company Retirement Contribution who subsequently becomes rehired after January 1, 2009, will be eligible only for the 3%, 4%, 5% age-based Special Company Retirement Contribution described above upon rehire, and will no longer be eligible for the nine percent (9%), eight percent (8%), or seven percent (7%) Special Company Retirement Contribution described above.

For this purpose, "hired or rehired" means the employee's most recent date of hire or rehire. The employee is considered rehired if:

1. The employee voluntarily terminates employment and is subsequently reemployed.
2. The employee returns to active employment from layoff and the return date is more than 6 years after the date of layoff.
3. The employee commences their retirement benefit during the layoff period and later returns to active employment within 6 years of the layoff date.

Miami employees will be 100% (one-hundred percent) immediately vested in this Special Company Retirement Contribution.

Effective January 1, 2022, Miami employees shall be covered by all provisions of Article 15.

**ARTICLE 17**  
**RETIREMENT PLAN**

The provisions of Article 17 in its entirety shall not apply to Miami employees identified in



1 Section 1.1(a) of Article 1 of this Agreement.

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3 Dated: March 10, 2020

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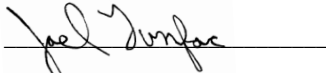
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11 President

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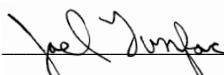
**LETTER OF UNDERSTANDING NO. 30**  
**RELATING TO PARENTAL LEAVE**  
**(Professional and Technical Units)**

The Company will extend the Paid Parental Leave (PPL) benefit to SPEEA-represented employees effective June 1, 2020 (the "Effective Date"). This benefit will be available prospectively for births, adoptions, surrogacy, or foster placements that occur on or after the Effective Date, or within the 12-month period prior to the Effective Date, subject to the advance notice and PPL completion requirements summarized below.<sup>1</sup> Eligibility, use, and other terms and conditions for this benefit will be governed by Company policy and procedure (currently, PRO-6929 and the Leaves of Absence Policy Handbook), as modified from time-to-time by the Company in its discretion. Those terms and conditions currently include, but are not limited to, the following:

- PPL is available to eligible employees to take a leave of absence for bonding with their newborn child, for adoption, surrogacy, or for placement of a foster child ("bonding leave"). Paid Parental Leave is not available for any other purpose.
- PPL is a salary continuation program, rather than an accrued leave benefit.
- PPL must be completed within one year following the birth, adoption, surrogacy or foster placement.
- PPL must be taken in one-workweek increments, up to a maximum of twelve workweeks per event and per calendar year. Multiple births count as a single event. Fostering and then adopting the same child counts as a single event. Fostering and/or adopting multiple children at the same time counts as a single event.
- For employees who are eligible for any city, state, or federal bonding leave (including FMLA and Washington Paid Family Medical Leave), to the extent permitted by law:
  - PPL will run concurrently with such city, state, or federal bonding leave;
  - Benefit payments for PPL will be offset by the amount of any city, state, or federal bonding leave benefits; and
  - Vacation and sick leave may not be used to supplement city, state or federal paid bonding leave benefits.
- If an employee takes PPL during a week that includes one or more paid holiday, the employee will forfeit PPL for such days and receive holiday pay instead.
- Employees must provide 30 days' advance notice for PPL if the need for the leave is foreseeable. If the need is not foreseeable, the employee must request the leave within two days after the leave starts.

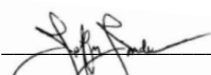
Dated: March 10, 2020

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<sup>1</sup> For example, up to 12 weeks of PPL could be used for a birth or adoption that occurred 6 months before the Effective Date, or up to 4 weeks of PPL could be used for a birth or adoption that occurred 48 weeks before the Effective Date.

**Appendix A  
Holiday Schedule**

<b>Year</b>	<b>Holiday</b>	<b>Day</b>	<b>Date of Observance</b>
<b>2020</b>	New Year's Day	Wednesday	January 1, 2020
	Memorial Day	Monday	May 25, 2020
	Independence Day	Friday	July 3, 2020
	Labor Day	Monday	September 7, 2020
	Thanksgiving Day	Thursday	November 26, 2020
	Friday following Thanksgiving	Friday	November 27, 2020
	Winter Break	Thursday	December 24, 2020
	Winter Break	Friday	December 25, 2020
	Winter Break	Monday	December 28, 2020
	Winter Break	Tuesday	December 29, 2020
	Winter Break	Wednesday	December 30, 2020
	Winter Break	Thursday	December 31, 2020
<b>2021</b>	New Year's Day	Friday	January 1, 2021
	Memorial Day	Monday	May 31, 2021
	Independence Day	Monday	July 5, 2021
	Labor Day	Monday	September 6, 2021
	Thanksgiving Day	Thursday	November 25, 2021
	Friday following Thanksgiving	Friday	November 26, 2021
	Winter Break	Friday	December 24, 2021
	Winter Break	Monday	December 27, 2021
	Winter Break	Tuesday	December 28, 2021
	Winter Break	Wednesday	December 29, 2021
	Winter Break	Thursday	December 30, 2021
	Winter Break	Friday	December 31, 2021
<b>2022</b>	New Year's Day	Monday	January 3, 2022
	Memorial Day	Monday	May 30, 2022
	Independence Day	Monday	July 4, 2022
	Labor Day	Monday	September 5, 2022
	Thanksgiving Day	Thursday	November 24, 2022
	Friday following Thanksgiving	Friday	November 25, 2022

Year	Holiday	Day	Date of Observance
	Winter Break	Friday	December 23, 2022
	Winter Break	Monday	December 26, 2022
	Winter Break	Tuesday	December 27, 2022
	Winter Break	Wednesday	December 28, 2022
	Winter Break	Thursday	December 29, 2022
	Winter Break	Friday	December 30, 2022
<b>2023</b>	New Year's Day	Monday	January 2, 2023
	Memorial Day	Monday	May 29, 2023
	Independence Day	Tuesday	July 4, 2023
	Labor Day	Monday	September 4, 2023
	Thanksgiving Day	Thursday	November 23, 2023
	Friday Following Thanksgiving	Friday	November 24, 2023
	Winter Break	Friday	December 22, 2023
	Winter Break	Monday	December 25, 2023
	Winter Break	Tuesday	December 26, 2023
	Winter Break	Wednesday	December 27, 2023
	Winter Break	Thursday	December 28, 2023
	Winter Break	Friday	December 29, 2023
<b>2024</b>	New Year's Day	Monday	January 1, 2024
	Memorial Day	Monday	May 27, 2024
	Independence Day	Thursday	July 4, 2024
	Labor Day	Monday	September 2, 2024
	Thanksgiving Day	Thursday	November 28, 2024
	Friday following Thanksgiving	Friday	November 29, 2024
	Winter Break	Tuesday	December 24, 2024
	Winter Break	Wednesday	December 25, 2024
	Winter Break	Thursday	December 26, 2024
	Winter Break	Friday	December 27, 2024
	Winter Break	Monday	December 30, 2024
	Winter Break	Tuesday	December 31, 2024
<b>2025</b>	New Year's Day	Wednesday	January 1, 2025

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Year	Holiday	Day	Date of Observance
	Memorial Day	Monday	May 26, 2025
	Independence Day	Friday	July 4, 2025
	Labor Day	Monday	September 1, 2025
	Thanksgiving Day	Thursday	November 27, 2025
	Friday following Thanksgiving	Friday	November 28, 2025
	Winter Break	Wednesday	December 24, 2025
	Winter Break	Thursday	December 25, 2025
	Winter Break	Friday	December 26, 2025
	Winter Break	Monday	December 29, 2025
	Winter Break	Tuesday	December 30, 2025
	Winter Break	Wednesday	December 31, 2025
<b>2026</b>			
<b>2026</b>	New Year's Day	Thursday	January 1, 2026
	Memorial Day	Monday	May 25, 2026
	Independence Day	Friday	July 3, 2026
	Labor Day	Monday	September 7, 2026

**Appendix B**  
**SPEEA Professional Unit Classifications**

<b>Occupation</b>		<b>Job Family</b>	
6B	Electronic & Electrical E	1B	EE Sys Design Engineer
6B	Electronic & Electrical E	1C	Wire Design & Install Eng
6B	Electronic & Electrical E	1D	Elect Design and Analysis
6B	Electronic & Electrical E	1E	Electrophysics Engr/Scientist
6C	Engr Multi-Skill Leadership	1L	Project Engineer
6C	Engr Multi-Skill Leadership	1M	Engrg Employee Dev Partic
6C	Engr Multi-Skill Leadership	H0	Engineering Data Scientist
6D	Engr Product Lifecycle Mgmt	2B	Information Technology En
6D	Engr Product Lifecycle Mgmt	2E	Config Mgt & Prod Intgrtn
6D	Engr Product Lifecycle Mgmt	2H	Process Engineer
6E	Flight Engineering	3B	Aerodynamics Engineer
6E	Flight Engineering	3C	Propulsion Engineer
6E	Flight Engineering	3D	Guidance, Nav & Controls
6E	Flight Engineering	3E	Weight & Mass Properties
6E	Flight Engineering	3F	Acoustics Engineer
6E	Flight Engineering	3G	Configuration Design Engr
6E	Flight Engineering	3H	Airport Engineer
6F	Materials, Process & Phys	4B	MP&P Engineer
6G	Mechanical & Structural Engr	5B	Mech Sys Design & Anlys Engr
6G	Mechanical & Structural Engr	5C	Struct & Payload Design Engr
6G	Mechanical & Structural Engr	5D	Structural Analysis Engineer
6G	Mechanical & Structural Engr	5H	Design Specialities Engineer
6H	Production Engineering	6B	Product Review Engineer
6H	Production Engineering	6H	Manufacturing Engineer
6H	Production Engineering	6P	Equipment & Tool Engineer
6J	Software Engineering	7B	Software Engineer
6K	Systems Engineering	8C	Systems Engineering Engineer
6L	Test & Evaluation Enginee	9B	Test & Evaluation Engineet
7A	Environment, Health & Saf	BS	Env Remediation Engr/Scientist
7A	Environment, Health & Saf	ED	Environmental Engr/Scientist
8A	Facilities	AG	Facil Equipment Engr
8A	Facilities	AJ	Facil Plant Engineer

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<b>Occupation</b>		<b>Job Family</b>	
DF	Industrial Engineering	KE	Industrial Engineer
GB	Engr & System Support Ana	A1	System Support Engineer
GB	Engr & System Support Ana	A2	Maintenance Program Engineer
GB	Engr & System Support Ana	A3	Maintenance Engineer
GF	Retrofit, Repair, Mods &	D1	Retrofit & Repair Engineer
GJ	Engineering Customer Supp	F1	Customer Support Engineer
GJ	Engineering Customer Supp	F2	Service Engineer
GK	Engineering Customer Supp	F4	Flight Operations Engineer
GK	Flight Operations Service	F5	Flight Technical Data Eng
GK	Flight Operations Service	F6	Flt Simulator Design Engineer
GL	Integt Supt Planning & Mgmt	G1	Support Planning & Mgmt Engr
JA	Quality	DE	Quality Engineer
JA	Quality	ST	Software Quality Engineer

**Group Benefits Package  
for Employees Represented  
by SPEEA**

**Health and Insurance Plans  
Attachment A**

**January 1, 2023**

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**ELIGIBILITY**  
**Eligible Employees**

You are eligible for the Package if you are an active Boeing employee represented by a Society of Professional Engineering Employees in Aerospace Collective Bargaining Agreement. You are not eligible to enroll if you are working in a capacity that, at the sole discretion of the plan administrator, is considered contract labor or independent contracting. Notwithstanding this provision, individuals represented under a Society of Professional Engineering Employees in Aerospace Collective Bargaining Agreement will be considered by the Company to be employees.

**Eligible Dependents**

Dependents eligible for the medical and dental plans are your legal spouse (as recognized under both applicable state law and the Internal Revenue Code) and children (natural children, adopted children, children legally placed with you for adoption, and stepchildren) who are under age 26.

You may request coverage for the following dependents: An opposite-gender common-law spouse if the relationship meets the common-law requirements for the state where you entered into the common-law relationship.

A spouse includes a domestic partner when enrolled in a fully-insured health care plan that is mandated by law to cover domestic partners or similar relationships.

Some states have laws that require insured health plans to offer coverage for certain registered domestic partners.

- Other children, (including children of domestic partners), as follows, who are under age 26, unmarried, and dependent on you for principal support:
  - Children who are related to you either directly or through marriage (e.g., grandchildren, nieces, nephews).
  - Children for whom you have legal custody or guardianship (or for whom you have a pending application for legal custody or guardianship) and are living with you.

Proof of dependent eligibility will be required.

In accordance with Federal law, the Company also provides medical and dental coverage to certain dependent children (called alternate recipients) if the Company is directed to do so by a qualified medical child support order (QMCSO) issued by a court or state agency of competent jurisdiction.

Documentation is required to request coverage for dependents, including a child named in a QMCSO, a child for whom you have been given legal custody or guardianship, or a spouse. You must provide the Boeing Service Center with any supporting documentation by the date specified by the Boeing Service Center or your request will be denied.

**Special Provisions When Family Members Are Boeing Employees**

If your spouse or dependent child is employed by Boeing and eligible for any type of benefit plan offered by Boeing, your dependent must either be covered on your policy or separately under the plan or plans available to that person.

1 No person may be covered both as an employee (active or retired) and as a dependent  
2 under any type of plan offered by Boeing, and no person will be considered a dependent  
3 of more than 1 employee. However, if your spouse is a part-time Boeing employee, retired,  
4 on approved leave of absence or layoff, or an employee of a subsidiary company, your  
5 spouse and eligible dependent children are considered eligible dependents if other  
6 Boeing coverage is waived. If you and your spouse both are Boeing employees and have  
7 dependent children, you both may elect medical and dental coverage for eligible children  
8 under 1 parent's plans. As an alternative, parents may elect medical coverage for eligible  
9 children under 1 parent's plan and dental coverage under the other parent's plan. In either  
10 case, all eligible children must be enrolled in the same medical plan and the same dental  
11 plan (except as required by a QMCSO).

### 12 **Disabled Children**

13  
14  
15 A disabled child age 26 or older may continue to be eligible (or enrolled if you are a newly  
16 eligible employee) if a physician documents that the child is incapable of self-support due  
17 to any mental or physical condition that began before age 26. You may be required to  
18 confirm the disability from time to time. The child must be unmarried and dependent on  
19 you for principal support. Coverage may continue under the medical and dental plans for  
20 the duration of the incapacity as long as you continue to be enrolled in the plans and the  
21 child continues to meet these eligibility requirements.

22  
23 Special applications for coverage are required for disabled dependent children age 26 or older.

## 24 **ENROLLMENT**

### 25 **Life and Disability Plans**

26  
27  
28  
29 You automatically are enrolled in the Life Insurance Plan, AD&D Plan, Short-Term Disability  
30 Plan, and Long-Term Disability Plan basic coverage when eligible. You may designate a  
31 beneficiary for life and accident benefits through the Boeing Service Center.

### 32 **Medical Plans**

33  
34  
35 In designated locations, the Company provides you with a choice of medical plans. The  
36 Company will require periodic verification of data.

37  
38 You receive enrollment instructions at the time of employment and may elect medical  
39 coverage under 1 medical plan available in your location by the date indicated on the  
40 enrollment worksheet. You and all your eligible dependents must be enrolled in the same  
41 medical plan, except as specified in Eligibility.

- 42  
43 • If you do not enroll in a medical plan by the date indicated on the enrollment  
44 worksheet, you will be enrolled automatically in the Traditional Medical Plan for  
45 employee-only coverage.
- 46  
47 • You are not required to provide a Certificate of Creditable Coverage in order  
48 to enroll in the medical plans because Boeing medical plans do not exclude  
49 coverage for pre-existing conditions.
- 50  
51 • For your spouse, you must provide information regarding coverage available  
52 through another employer to determine whether or not special contributions  
53 are required to enroll him or her. If you do not authorize a required contribution,  
54 he or she will not be enrolled for medical coverage. You will not be able to enroll  
55 your spouse until the earlier of:

- The next annual enrollment period. 1
- The date your spouse loses the option to be covered under the other 2
- employer-sponsored medical plan. 3

**Dental Plans** 4  
5  
6  
7

In designated locations, the Company provides you with a choice of dental plans. You receive enrollment instructions at the time of employment and may elect dental coverage under 1 dental plan available in your location by the date indicated on the enrollment worksheet. 8  
9  
10  
11

If you do not enroll in a dental plan by the date indicated on the enrollment worksheet, you will be enrolled automatically in the Preferred Dental Plan for employee-only coverage. 12  
13  
14

**Annual Enrollment Period** 15  
16

The Company establishes an annual enrollment period on or before January 1 each year when you may change medical and/or dental plans. 17  
18  
19

**Special Enrollment** 20  
21

If you declined coverage in the medical or dental plans for yourself and/or your eligible dependents when you were first eligible because you or your dependents had other health care coverage, you may enroll yourself and/or your eligible dependents if you or your dependent experiences one of these special enrollment events: 22  
23  
24  
25  
26

- You or your dependent loses or becomes ineligible for other health care coverage because of an event such as loss of dependent status under another health care plan (through divorce, legal separation, or dependent child reaching the limiting age), death, termination of employment, reduction in hours of employment, termination of employer contributions toward the coverage, elimination of coverage for the class of similarly situated employees or dependents, moving out of the plan's service area with no other coverage available from the other health care plan, or reaching the lifetime limit on all benefits under the other health care plan. 27  
28  
29  
30  
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32  
33  
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35
- You or your dependent exhausts any continuation coverage from another employer; that is, coverage provided under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (COBRA), ends. 36  
37  
38  
39
- You gain a new dependent because of marriage, birth, adoption, or placement for adoption. 40  
41  
42

If you experience a special enrollment event, you can enroll yourself and/or your eligible dependents in a medical and/or dental plan as described above. You can enroll in any family status tier and any health plan option available to you. 43  
44  
45  
46

Special enrollment is not available if you lose coverage because of failure to make timely premium payments or termination from the plan for cause (such as for making a fraudulent claim). 47  
48  
49  
50

If you decline enrollment in the medical and dental plans because of other employer-sponsored health care coverage (such as through a spouse's employer), you may be able to enroll yourself and eligible dependents in the Company-sponsored medical and dental plans during the year as long as enrollment is within 60 days after other coverage ends. 51  
52  
53  
54  
55  
56

1 If you have a new dependent as a result of marriage, birth, adoption, or placement for  
2 adoption, you may enroll the new dependent during the year as long as enrollment is  
3 requested within 120 days after the qualified event.  
4

## 5 **Qualified Status Changes**

6

7 If you experience one of the qualified status changes listed below, you may be able to  
8 enroll in medical or dental coverage, change your current coverage, or drop your coverage  
9 midyear. Any change to your coverage must be consistent with the status change that  
10 affects your or your dependent's eligibility for Company-sponsored health care coverage  
11 or health care coverage sponsored by your eligible dependent's employer. Qualified status  
12 changes include the following events:  
13

- 14 • You marry, divorce, or become legally separated, or the marriage is annulled.
- 15
- 16 • You acquire a new, eligible dependent child, such as by birth, adoption, or  
17 placement for adoption.
- 18
- 19 • Your spouse or dependent child dies.
- 20
- 21 • You or your spouse or dependent child starts or stops working.
- 22
- 23 • You or your spouse or dependent child has any other change in employment  
24 status that affects eligibility for coverage such as changing from full time to  
25 part time (or part time to full time), salaried to hourly (or hourly to salaried),  
26 strike or lockout, a transfer between a nonunion salaried position and a  
27 union-represented position, or beginning or returning from an unpaid leave of  
28 absence, including an approved leave of absence in accordance with the Family  
29 and Medical Leave Act.
- 30
- 31 • You or your spouse or dependent child experiences a significant increase in the  
32 cost of employer-sponsored health care coverage or the employer-sponsored  
33 health care coverage ends, including expiration of COBRA coverage.
- 34
- 35 • The Company adds a new benefit option or significantly improves an existing  
36 benefit option.
- 37
- 38 • You or your spouse or dependent child experiences a significant curtailment or  
39 cessation of employer-sponsored health care coverage.
- 40
- 41 • You or your spouse or dependent child becomes eligible or ineligible for  
42 Medicare or Medicaid.
- 43
- 44 • Your dependent child becomes eligible for, or no longer is eligible for, health  
45 care coverage due to age limits, principal support status, or a similar eligibility  
46 requirement.
- 47
- 48 • You or your spouse or dependent child makes an enrollment change in his or  
49 her employer-sponsored health care coverage, either because of a qualified  
50 change in status or an annual enrollment.
- 51
- 52 • You or your spouse or dependent child changes place of residence or work,  
53 affecting access to care within the current plan or access to network providers.
- 54
- 55 • You are transferred to a different division, affecting eligibility for benefits under  
56 Company-sponsored health care plans.

- You or your spouse or dependent child loses coverage under a group health plan sponsored by a governmental or educational institution.

You also may change an election to comply with a qualified medical child support order (QMCSO) to provide or cancel coverage for a dependent child resulting from a divorce, annulment, or change in legal custody.

In most situations, you must request enrollment within 60 days after the qualified event. You can enroll a new dependent within 120 days following your marriage or a dependent child's birth, adoption, or placement for adoption. To request enrollment for a new dependent more than 60 days but within 120 days after marriage, birth, adoption, or placement for adoption, you must call the Boeing Service Center and speak with a customer service representative. You must provide the Boeing Service Center with any supporting documentation by the date specified by the Boeing Service Center or your request will be denied.

## EFFECTIVE DATE OF COVERAGE

### Employees

If you are a newly hired employee, the Package becomes effective as follows:

- Medical and dental coverage becomes effective on the first day of the month following your first day of employment.
- Life insurance, AD&D, short-term disability, and long-term disability basic coverage becomes effective on the first day of the month following your first day of employment, provided you are actively at work on that date.

Actively at work means you are attending to your normal duties at your assigned place of employment. On a holiday, vacation day, weekend day, or other regularly scheduled day off, actively at work means you are not ill, injured, or otherwise disabled or confined to a hospital or similar institution and are performing the normal activities of a person of your gender and age.

You must be on the active payroll on the first day of the month.

If you are rehired from a layoff within 5 years, are reemployed following uniformed service (and return to work promptly in accordance with Federal law), or return from an approved leave of absence, coverage is effective on the date you return to active employment.

### Dependents

Current eligible dependents are covered for medical and dental benefits on the same date your coverage is effective. Eligible dependents acquired after your coverage is effective become covered on the date of marriage, date of birth, or date the child is legally placed with you for adoption, if application is made within 120 days of the event. For other newly eligible dependents, coverage is effective on the date dependency is established, if application is made within 60 days.

You authorize required contributions when enrolling eligible dependents.

## SHORT-TERM DISABILITY PLAN

The Company provides disability income coverage for you under the Short-Term Disability Plan. You are eligible for a weekly benefit if you become totally disabled as a result of an accidental injury or illness, including a pregnancy-related condition, while covered under this plan.



1 **Benefits**

2

3 Your benefits under this plan will begin after your disability has lasted 7 consecutive  
4 calendar days. After this 7-day waiting period, you will receive a weekly benefit based on  
5 your weekly salary in accordance with the schedule of benefits below.

6

Benefit Period	Benefit Amount
Week 1	Waiting period; no benefits paid under the plan
Weeks 2 through 13	You receive 80% of your weekly salary
Weeks 14 through 26	You receive 60% of your weekly salary

7

8 Your benefit may be adjusted for other income benefits and rehabilitative employment.  
9 There is no minimum or maximum benefit payment under this plan.

10

11 Your benefits under this plan will be determined using the weekly salary reflected in  
12 the records of the Boeing Service Center for Health and Insurance Plans at the time your  
13 disability first begins (called your predisability earnings). If you are a part-time employee  
14 regularly scheduled to work more than 19 hours and less than 40 hours per week, your  
15 benefits under this plan will be determined using the average weekly salary that you  
16 actually earned for the 6 weeks immediately preceding your date of disability.

17

18 If you are actively at work and your weekly salary either increases or decreases, your short-  
19 term disability benefit amount will change automatically on the first day of the month  
20 after or coinciding with the date of the change in your salary. If you are not actively at work  
21 on the day the coverage change would become effective, the effective date for your new  
22 coverage amount will be delayed until the first day of the month after or coinciding with  
23 the day you return to work for 1 full day. Any retroactive change in your weekly salary will  
24 not retroactively change your disability coverage amount under this plan. If your period of  
25 disability has started, a change in your weekly salary will not change your benefit amount.

26

27 **Eligibility for Benefit Payments**

28

29 To be eligible for short-term disability benefit payments, you must be totally disabled;  
30 that is, you must be unable to perform the material duties of your regular occupation  
31 or other appropriate work the Company makes available and be earning 80% or less of  
32 your predisability earnings. You must be under the continuous care of a legally qualified  
33 physician throughout your period of total disability. In addition, the service representative  
34 may require you to be examined by a physician of its choice as often as is reasonably  
35 necessary to verify your continuous total disability.

36

37 All determinations of total disability are made by the service representative within the  
38 terms of its contract with the Company.

39

40 **Benefit Payment Period**

41

42 Benefits begin after a waiting period of 7 consecutive days and continue while you are  
43 totally disabled, through the 26th week of disability. Benefits stop when you no longer are  
44 disabled, at the end of your maximum benefit period, or when you die.

45

46 **Separate Periods of Disability**

47

48 A period of disability ends and benefit payments under this plan stop when you no longer  
49 are disabled or you return to work for 1 full day. If you incur a second period of disability,  
50 the cause of the second disability and the length of your recovery time between the

51

disability periods will determine whether the second disability is treated as a temporary recovery (that is, a continuation of the first disability claim) or as a separate disability claim. Your recovery will be considered a temporary recovery if, during the benefit payment period, you cease to be disabled for a total of 60 days or less.

The following provisions apply to periods of temporary recovery:

- Only 1 benefit waiting period applies.
- Your weekly salary used to determine your initial short-term disability benefit does not change.
- No short-term disability benefits are paid for the period of temporary recovery.

Your second period of disability will be considered a separate disability claim if you have returned to work for 1 full day and

- It is due to a different cause than the first disability period, or
- It is due to the same cause or causes but your recovery is longer than 60 days, or
- The first period of disability began before you were covered under this plan.

You must submit a claim for benefits and meet the waiting period requirements before benefits will be paid.

### **Other Income Benefits**

Certain other income benefits that you may be entitled to receive will reduce your weekly benefit from the Short-Term Disability Plan. There is no minimum benefit payment under this plan. You must apply for all other income benefits for which you may be eligible, including Social Security benefits (but excluding retirement benefits).

Your benefits under this plan are reduced by the following sources of income:

- Salary continuation (to the extent combined short-term disability, salary continuation, and other income benefits exceed 100% of predisability earnings).
- Benefits from insured or uninsured disability income plans of any employer, multiemployer or multiple-employer welfare plan, or union welfare plan.
- Benefits from a disability income plan of any state or other jurisdiction.
- Social Security disability or retirement benefits, including primary, spouse, and dependent child benefits.
- Railroad Retirement Act benefits, or other benefits paid under a Federal or state law.
- Workers' compensation benefits.
- No-fault wage replacement benefits paid under a no-fault automobile insurance law.

- 1 • Salary, wages, other compensation from any employer, or income from any
- 2 occupation for compensation or profit, except as described in Rehabilitative
- 3 Employment below.
- 4
- 5 • Benefits from group credit or mortgage disability insurance.
- 6
- 7 • Retirement income benefits from the Company or any Company subsidiaries,
- 8 except:
- 9
  - 10 – The portion of any retirement benefit attributable to employee
  - 11 contributions.
  - 12
  - 13 – The portion of any lump-sum distribution attributable to employee
  - 14 contributions.
  - 15
  - 16 – Any retirement benefit you are eligible to receive but elect not to receive.
  - 17

18 Other income benefits paid in a lump sum will be allocated over the time period specified  
 19 in the lump-sum settlement or your life expectancy (as determined by the service  
 20 representative).

21  
 22 Short-term disability benefit payments will not be reduced for cost-of-living increases in  
 23 other income benefits.

24  
 25 Short-term disability benefit payments also will not be reduced by benefits from:

- 26
- 27 • Employer-sponsored thrift, profit sharing, savings, stock ownership, or deferred
- 28 compensation plans.
- 29
- 30 • Internal Revenue Code (IRC) Section 401(k) plans, Section 403(b) plans,
- 31 Section 457 plans, or Keogh (H.R. 10) plans.
- 32
- 33 • Individual retirement arrangements (IRAs).
- 34
- 35 • Individual disability insurance policies.
- 36
- 37 • Accelerated benefits paid under a life insurance policy.
- 38
- 39 • Military retirement or disability benefits, unless related to the cause of the
- 40 current disability.
- 41

42 **Rehabilitative Employment**

43  
 44 To encourage you to return to gainful employment before you fully recover from your  
 45 total disability, the plan allows you to receive pay for certain work without a reduction  
 46 in your plan benefits. During the period you are receiving short-term disability benefit  
 47 payments, you may earn up to a maximum of 100% of your predisability earnings  
 48 through a combination of your short-term disability benefits plus earnings from approved  
 49 rehabilitative employment.

50  
 51 The service representative must approve the rehabilitation program. If the sum of  
 52 rehabilitative earnings, other income benefits, and short-term disability benefits exceeds  
 53 your predisability earnings, the excess will be considered other income benefits and will  
 54 reduce your weekly benefit under this plan.

## LONG-TERM DISABILITY PLAN

The Company provides disability income coverage for you under the Long-Term Disability Plan, which pays benefits if you are disabled for an extended period. The Company provides basic long-term disability coverage at no cost to you. You may purchase supplemental long-term disability coverage if you enroll and make the required contributions.

### Benefits

If you are unable to work for longer than 26 weeks due to a covered disability, the Long-Term Disability Plan will replace a portion of your income, as described below:

- Company-paid basic benefit—You receive 50% of your monthly salary.
- Employee-paid supplemental benefit—You may purchase coverage of an additional 10% of your monthly salary through after-tax contributions taken from your paycheck.
- Maximum—The maximum monthly benefit under this plan is \$15,000 for basic and supplemental coverage combined.

Your benefits under the Long-Term Disability Plan are determined using the monthly salary reflected in Boeing Service Center records at the time your disability begins. This is called your predisability earnings.

If you are actively at work and your monthly salary either increases or decreases, your long-term disability benefit amount will change automatically on the first day of the month after your salary change. If you are not actively at work, your long-term disability benefit amount will change the first day of the month after the date you return to active work. If you are already on an approved disability, your benefit amount will not change until you return to active work. Any retroactive change to your monthly salary will not retroactively change your eligible benefit amount under this plan. Any change to your monthly salary will not affect a benefit payable for a second disability that is considered a continuation of the first disability.

### Eligibility for Benefit Payments

You are eligible to receive long-term disability benefits after you have been disabled for 26 weeks. Your disability must begin while you are covered by the plan. You must be under the continuous care of a physician throughout your disability. In addition, the service representative may require you to be examined by a physician of its choice as often as is reasonably necessary to verify your disability.

All determinations of disability are made by the service representative within the terms of its contract with the Company.

1 **Benefit Payment Period**

2  
3 The maximum time that long-term disability benefits may be paid depends on your age  
4 when your disability begins, as shown in the following table:  
5  
6

7

<b>Long-Term Disability Benefit Period</b>	
<b>Age When Disability Begins</b>	<b>Maximum Benefit Period*</b>
59 or younger	Until age 65
60	60 months
61	48 months
62	42 months
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 and over	12 months

26  
27 \* Or to your Social Security normal retirement age, if later.

28  
29 Long-term disability benefits end on the earliest of these dates:

- 30
- 31 • The date you no longer are disabled.
  - 32 • The date you return to work.
  - 33 • The last day of your maximum benefit period.
  - 34 • The date you are not under the regular care of a physician.
  - 35 • The date you fail to provide proof of continued disability, refuse to be  
36 examined, or withhold information about any employment.
  - 37 • The date you die.
- 38  
39  
40  
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42

43  
44 **Separate Periods of Disability**

45  
46 If you experience a second disability, the cause and the length of time between the first  
47 and second disability determine whether the second disability is treated as a continuation  
48 of the first or as a separate disability unrelated to the first.

49  
50 Your second period of disability is considered a continuation of the first if:

- 51 • The recurrence is due to the same or related cause as the first, and
- 52 • You returned to work or were not considered disabled (a period  
53 of temporary recovery) for:  
54  
55  
56

- 60 days or less during the initial 26-week waiting period, or
- 26 consecutive weeks or less (for each period of temporary recovery) during the payment period.

The following provisions apply to a period of temporary recovery:

- No new 26-week waiting period is required.
- The monthly salary amount used to determine your benefit during your previous period of long-term disability stays the same.
- No long-term disability benefits are paid for the time you are temporarily recovered.
- Your period of temporary recovery does not count toward your:
  - Initial 26-week waiting period.
  - Maximum benefit period.
  - Initial 24-month payment period.
  - 24-month limit on disabilities due to a mental health condition or substance use disorder (as described below).

Your second period of disability is treated as a new and separate disability if you no longer are disabled or returned to active work for at least 1 day and:

- Your disability is due to a different cause than the first disability,
- Your disability is due to the same cause as the first disability, but your recovery is longer than the time limits listed above, or
- The first period of disability began before you were covered under this plan.

When any of these applies, you will need to initiate a new claim and meet the waiting period requirements before benefits are paid.

**Disability Due to a Mental Health Condition or Substance Use Disorder**

The Long-Term Disability Plan pays benefits to a maximum of 24 months if a mental health condition or substance use disorder is the primary cause of your disability. After 24 months, benefits continue only if you are confined to a hospital or similar institution for the condition causing the disability.

If inpatient confinement lasts:

- Less than 30 days—Benefits stop when you no longer are confined.
- 30 days or more—Benefits continue until you have not been confined because of that condition for a total of 90 days in any 12-month period.

The Separate Periods of Disability rules above do not apply to disabilities caused by a mental health condition or substance use disorder after the first 24 months of benefit payments.

1 **Other Income Benefits**

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Certain other income that you may be entitled to receive will reduce your basic monthly disability benefit under this plan. However, your supplemental long-term disability benefit will not be reduced by income other than earnings from rehabilitative employment, as described below.

You must apply for all other income benefits for which you may be eligible, except retirement benefits before your normal retirement age. If Social Security, workers' compensation, or other benefits are denied, you must reapply and send the service representative evidence that you have reapplied.

13 **Income That Reduces Your Long-Term Disability Benefit**

14  
15 The following income benefits reduce your disability benefit under this plan:

- 16  
17 • Disability, retirement, or unemployment benefits required or provided under  
18 any law of a government, including but not limited to:
  - 19  
20 – Automobile no-fault wage replacement benefits to the extent required  
21 by law.
  - 22  
23 – Social Security, Railroad Retirement Act, Canada Pension Plan, and  
24 Quebec Pension Plan benefits.
  - 25  
26 – Statutory disability benefits.
  - 27  
28 – Unemployment compensation benefits.
  - 29  
30 – Veterans' benefits.
  - 31  
32 – Workers' compensation benefits.
- 33  
34 • Group credit or mortgage disability insurance.
- 35  
36 • Half of any award under The Jones Act or The Maritime Doctrine of Maintenance,  
37 Wages, and Cure.
- 38  
39 • Insured or uninsured disability income plans of any employer, multiemployer or  
40 multiple employer welfare plan, union welfare plan, or welfare plan of a group  
41 or an association.
- 42  
43 • Retirement income benefits from the Company or any Company subsidiaries,  
44 except:
  - 45  
46 – Any retirement benefit you are eligible to receive before the plan's  
47 normal retirement age but elect not to receive before that age. After  
48 normal retirement age, long-term disability benefits are reduced by  
49 retirement benefits you are eligible to receive (whether or not you  
50 receive them).
  - 51  
52 – The portion of any lump-sum distribution or retirement benefit  
53 attributable to employee contributions.
- 54  
55 • Salary continuation.
- 56

- Salary, wages, other compensation from any employer, or income from any occupation for compensation or profit, except for approved rehabilitative employment. 1  
2  
3  
4

Other income benefits include primary and family Social Security benefits as well as other benefits you, your spouse, and your other dependents receive. 5  
6  
7

Other income benefits paid in a lump sum are allocated over the period specified in the lump-sum settlement. If no period is specified, other income benefits paid in a lump sum will be allocated over the lesser of your remaining benefit period or 60 months. 8  
9  
10  
11

**Income That Does Not Reduce Your Long-Term Disability Benefit** 12  
13

Some sources of income do not reduce your long-term disability benefit, including: 14  
15

- Accelerated benefits paid under a life insurance policy. 16  
17
- Cost-of-living increases in other income benefits. 18  
19
- Employer-sponsored deferred compensation, thrift, savings, profit-sharing, stock ownership, stock option, and tax-sheltered annuity plans, including plans qualified under Internal Revenue Code sections 401(k), 403(b), 457, and similar plans. 20  
21  
22  
23  
24
- Individual disability insurance policies. 25  
26
- Keogh (H.R. 10) plans. 27  
28
- Severance pay. 29  
30
- Any retirement or disability benefits you were receiving from these sources when you became disabled: 31  
32  
33
  - Military or other government service pensions. 34  
35
  - Retirement benefits from a previous employer. 36  
37
  - Veterans’ benefits for service-related disabilities. 38  
39
  - Social Security. 40  
41
- Traditional or Roth individual retirement accounts (IRA). 42  
43

Increases in other income benefits will reduce your long-term disability benefits if due to other reasons, such as a change in the number of your family members, recomputation of other income benefits, or a change in the severity of your disability. 44  
45  
46  
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1 **Rehabilitative Earnings**

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3 To encourage your return to gainful employment before you fully recover from your  
4 disability, the plan allows you to receive pay, called rehabilitative earnings, for approved  
5 rehabilitative work without a reduction in your disability benefits:

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Payment Period	Maximum You May Earn From Long-Term Disability Benefits + Rehabilitative Earnings
First 24 months	100% of predisability earnings*
After 24 months	80% of predisability earnings*

\* To help protect you from the effects of inflation, your predisability earnings are indexed to the cost of living.

If the sum of your rehabilitative earnings, long-term disability benefits, and other sources of income goes over the maximum allowed, the excess will be subtracted from your long-term disability benefits.

**Retirement Benefits**

If you are eligible for long-term disability benefits after age 65, you must elect to start receiving any Boeing-sponsored retirement benefits to which you are entitled by the later of:

- 60 days after the end of the retirement plan year you reach age 65 (generally, December 31).
- 6 months after your disability begins.

If you have not elected retirement benefits by then, the service representative will estimate how much you would be eligible to receive and subtract that amount from your long-term disability benefits. The estimate will be used until you provide evidence of your exact retirement benefit amount.

**WHEN AN INJURY OR ILLNESS IS CAUSED BY THE NEGLIGENCE OF ANOTHER—DISABILITY**

In some situations, you or a covered dependent may be eligible to receive, as a result of an accident or illness, disability benefits from an automobile insurance policy, homeowner's insurance policy or other type of insurance policy, or from a responsible third party. In these cases, the plan will pay benefits if the covered person agrees to cooperate with the service representative in administering the plan's subrogation rights.

If a person covered by the plan is injured by another party who is legally liable for the medical or dental bills or disability income, he or she may request the plan to pay its regular benefit on his or her behalf. In exchange the covered person agrees to:

- Complete a claim and submit all bills related to the injury or illness to the responsible party or insurer.
- Complete and submit all of the necessary information requested by the service representative.
- Reimburse the plan if he or she recovers payment from the responsible party or any other source.

- Cooperate with the service representative's efforts to recover from the third party any amounts the plan pays in benefits related to the injury or illness, including any lawsuit brought against the responsible party or insurer.

This provision applies whenever you or a covered dependent is entitled to or receives benefits under the plan and is also entitled to or receives compensation or any other funds from another party in connection with that same disability or medical condition, whether by insurance, litigation, settlement, or otherwise. The plan is entitled to such funds to the extent of plan benefits paid to or on behalf of the individual, whether or not the individual has been "made whole," and without regard to any common fund doctrine. The plan may recover such funds by constructive trust, equitable lien, right of subrogation, reimbursement, or any other equitable or legal remedy.

If an individual fails, refuses, or neglects to reimburse the plan or otherwise comply with the requirements of this provision, or if payments are made under the plan based on fraudulent information or otherwise in excess of the amount necessary to satisfy the provisions of the plan, then, in addition to all other remedies and rights of recovery that the plan may have, the plan has the right to terminate or suspend benefit payments and/or recover the reimbursement due to the plan by withholding, offsetting, and recovering such amount out of any future plan benefits or amounts otherwise due from the plan to or with respect to such individual. The plan also has the right in any proceeding at law or equity to assert a constructive trust, equitable lien, or any other equitable or legal remedy or recovery, against any and all persons who have assets that the plan can claim rights to. The plan has the right of first recovery from any judgment, settlement or other payment, regardless of whether the individual has been "made whole," and without regard to any common fund doctrine.

## **EXCLUSIONS**

The Short-Term Disability Plan does not cover any disability directly or indirectly caused by:

- Intentionally self-inflicted injury (while sane or insane).
- Committing or attempting to commit an assault, battery, or felony.
- War or any act of war (declared or not declared). The plan does, however, pay for disabilities caused by an act of war while you are traveling on business for the Company.
- Insurrection, rebellion, or taking part in a riot or civil commotion.
- Military duty other than temporary active duty of less than 31 days.
- You are not considered to be disabled, and no benefits are paid for, any day you are confined in a penal or correctional institution for conviction of a crime or other public offense.

The Long-Term Disability Plan does not cover any disability that begins during the first 12 months of coverage if the disability results from a pre-existing condition or if the disability is caused by:

- Committing (or attempting to commit) an assault, battery, or felony.
- Declared or undeclared war or act of war (unless it occurs while you are traveling on Company business).

- 1 • Insurrection, rebellion, or taking part in a riot or civil commotion.
- 2
- 3 • Intentionally self-inflicted injury (while sane or insane).
- 4
- 5 • Military duty other than temporary active duty of less than 31 days.
- 6

7 You are not considered to be disabled, and no benefits are paid for, any day you are confined  
8 in a penal or correctional institution for conviction of a crime or other public offense.

## 9

## 10 DEFINITIONS

11

12 **Actively at work** means you are attending to your normal duties at your assigned place of  
13 employment. On a holiday, vacation day, weekend day, or other regularly scheduled day  
14 off, actively at work means you are not ill, injured, or otherwise disabled or confined to a  
15 hospital or similar institution and are performing the normal activities of a person of your  
16 gender and age.

17

18 **Disabled (long-term disability plan)** means all of the following conditions apply to you:

- 19 • You become disabled as a result of accidental injury or illness (including a  
20 pregnancy-related condition).
- 21
- 22 • Your accidental injury or illness (including a pregnancy-related condition)  
23 prevents you from performing the material duties of your own occupation (or  
24 other work the Company makes available) during the 26-week elimination  
25 period and first 24 months of benefits.
- 26
- 27 • After 24 months of benefits, you must be unable to work at any reasonable  
28 occupation for which you may be fitted by training, education, or experience.  
29 (This period may exceed 24 months of benefits if interrupted by temporary or  
30 intermittent returns to work.)
- 31
- 32

33 **Disabled (short-term disability plan)** means all of the following conditions apply to you:

- 34 • You are disabled as a result of accidental injury or illness (including a pregnancy-  
35 related condition).
- 36
- 37 • As a result, you are earning 80% or less of indexed predisability earnings (as  
38 defined below).
- 39
- 40 • Your accidental injury or illness prevents you from performing the material  
41 duties of your regular occupation or other appropriate work the Company  
42 makes available.
- 43
- 44

45 **Physician** means a legally qualified, licensed physician, with a course of treatment that  
46 is consistent with the diagnosis of the disabling condition and according to guidelines  
47 established by medical, research, and rehabilitation organizations.

48

49 **Predisability earnings** means the amount of salary (see definition below) you were  
50 receiving from the Company on the day before a period of disability started.

51

52 **Pre-existing condition (long-term disability plan)** means any illness, injury, or other  
53 medical condition, whether or not diagnosed before the effective date of coverage, for  
54 which you received medical treatment or advice, consulted with a medical professional,  
55 received a medical test (diagnostic, routine, or other), took prescribed medicines, or had  
56 medicines prescribed during the 3 months before your coverage becomes effective for

employees not currently enrolled in a company-sponsored long-term disability plan. 1  
2  
For employees currently enrolled in a company-sponsored long-term disability plan, credit 3  
will be applied for the time period satisfied for a pre-existing condition period which 4  
began under the prior company-sponsored long-term disability plan. 5  
6

**Salary** means your salary, including shift, lead, and foreign and domestic pay differentials, 7  
but excluding bonuses, overtime pay, cost-of-living allowances, incentive compensation, 8  
or other compensation you receive from the Company or a participating subsidiary. For 9  
part-time employees, the plan first figures your pay as if you were full time; your weekly 10  
salary is that amount multiplied by a percentage equal to your scheduled weekly hours 11  
divided by 40. 12

### **LIFE INSURANCE PLAN**

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14  
15

The life insurance benefit equals 2¼ times your base annual salary, to a maximum of \$3.5 16  
million. Your coverage amount is rounded to the next highest \$1,000 if it is not already an 17  
even \$1,000. To avoid imputed income, you also may elect a basic life benefit of \$50,000 18  
instead of the benefit listed above. 19  
20

Your life insurance benefit is determined by the annual salary reflected in the records of 21  
the Boeing Service Center for Health and Insurance Plans. 22  
23

If you are actively at work and your annual salary either increases or decreases, your 24  
life insurance benefit will change automatically on the first day of the month after or 25  
coinciding with the date of the change in your salary. If you are not actively at work on 26  
the day the coverage change would become effective, the effective date for your new 27  
coverage amount will be delayed until the first day of the month after or coinciding with 28  
the day you return to work for 1 full day. Any retroactive change in your annual salary 29  
will not retroactively change your life insurance coverage amount under this plan. If your 30  
period of permanent and total disability has started, a change in your annual salary will 31  
not change your benefit amount. 32  
33

The total amount is payable in the event of your death from any cause at any time or place 34  
while covered. Payment is made in a lump sum or installments to the designated beneficiary. 35  
You may change beneficiaries at any time by contacting the Boeing Service Center. 36  
37

If you become permanently and totally disabled before age 65 while covered under the 38  
plan and you remain permanently and totally disabled for at least 6 months, the Company 39  
will continue to pay the premium for your coverage until the earlier of: 40  
41

- Age 65, or 42
- Your recovery. 43  
44  
45

### **AD&D PLAN**

 46  
47

AD&D benefits are provided if your loss of life, paralysis, or loss of hand, foot, eyesight, 48  
hearing, or speech is caused by a covered accident (including an occupational accident) 49  
that occurs while you are covered under the plan. 50  
51

The full principal sum, \$25,000, is paid to your beneficiary if you die. This amount is in 52  
addition to any amount payable under the group life insurance coverage. 53  
54  
55  
56

1 The following benefits are payable if the covered injury causes any of the following losses  
2 within 365 days after the covered accident:  
3

4 Loss	Percentage of Principal Sum
5 Life	100%
6 Quadriplegia	100%
7 Both Hands or Both Feet	100%
8 Sight of Both Eyes	100%
9 1 Hand and 1 Foot	100%
10 1 Hand and the Sight of 1 Eye	100%
11 1 Foot and the Sight of 1 Eye	100%
12 Speech and Hearing in Both Ears	100%
13 Paraplegia	75%
14 Hemiplegia	50%
15 1 Hand or 1 Foot	50%
16 Sight of 1 Eye	50%
17 Speech or Hearing in Both Ears	50%
18 Hearing in 1 Ear	25%
19 Thumb and Index Finger of Same Hand	25%

20 "Loss" of a hand or foot means the complete severance through or above the wrist or ankle  
21 joint. "Loss" of sight of an eye means the total and irrecoverable loss of the entire sight in  
22 that eye. "Loss" of hearing in an ear means the total and irrecoverable loss of the entire  
23 ability to hear in that ear. "Loss" of speech means the total and irrecoverable loss of the  
24 entire ability to speak. "Loss" of a thumb and index finger means the complete severance  
25 through or above the metacarpophalangeal joint of both digits.  
26

27 "Quadriplegia" means the complete and irreversible paralysis of both upper and both  
28 lower limbs. "Paraplegia" means the complete and irreversible paralysis of both lower  
29 limbs. "Hemiplegia" means the complete and irreversible paralysis of the upper and lower  
30 limbs of the same side of the body.  
31

32 "Injury" means bodily injury caused by an accident occurring while you are covered under  
33 the plan, and resulting directly and independently of all other causes in death or loss as  
34 listed above.  
35

36 If you sustain more than 1 loss as the result of the same accident, no more than 100% of  
37 the principal sum will be paid.  
38

39 If you are unavoidably exposed to the elements due to an accident occurring while  
40 covered under this plan, and as a result of such exposure suffer a loss for which a benefit is  
41 otherwise payable, the loss will be covered under the terms of this plan.  
42

43 If your body has not been found within 1 year of the disappearance, forced landing,  
44 stranding, sinking, or wrecking of a vehicle in which you were an occupant while covered  
45 under this plan, the loss will be covered as an accidental death under the terms of the plan.  
46

- No plan benefits will be paid for a death or loss caused in whole or in part by, or resulting in whole or in part from:
- Suicide or intentionally self-inflicted injury.
  - Declared or undeclared war or act of declared or undeclared war occurring in the continental limits of the United States, unless it is an act of terrorism.
- ("Terrorism" means any violent act intended to cause injury, damage, or fear and committed by or purportedly committed by one or more individuals or members of an organized group to make a statement of the individual's or group's political or social beliefs, concepts, or attitudes and/or to intimidate a population or government into granting the individual's or group's demands.)
- An illness, sickness, disease, bodily or mental infirmity, medical or surgical treatment, or bacterial or viral infection, regardless of how contracted, except bacterial infection resulting from an accidental cut or wound or accidental food poisoning. However, if a covered loss results from medical or surgical treatment of an injury, benefits will be provided for the loss.

**TRADITIONAL MEDICAL PLAN SUMMARY OF BENEFITS**

The Traditional Medical Plan is available to active employees and their dependents, as well as retired employees and their dependents until they become eligible for Medicare.

This section shows general plan features of the Traditional Medical Plan, including benefit amounts and other plan information. See the Traditional Medical Plan Summary of Covered Medical Services and Supplies for benefit details.

Effective January 1, 2010, benefit and plan payment provisions will be based on a benefit year of January 1 through December 31.

Prescription drug benefits are shown in Traditional Medical Plan Prescription Drug Program. Vision care benefits are shown in Traditional Medical Plan Vision Care Program.

**Schedule of Benefits**

**Annual Deductible**

The annual deductible amount applies to all covered network and nonnetwork services and supplies except preventive care and tobacco cessation treatment.

**Coinsurance**

For some network services and all nonnetwork services, you are required to pay a certain percent of the covered charges, called coinsurance.

Generally, you must first satisfy the entire annual deductible before the plan pays its coinsurance percentage for services to which the annual deductible applies.

Your coinsurance percentage does not include any amounts you pay for services that the plan does not cover or any amounts that exceed the usual and customary charge.

**Medical Out-of-Pocket Maximum**

For some services, you are required to pay a certain percent of medical charges, called

1 out-of-pocket expenses.

2

3 When your out-of-pocket medical expenses (or when your family members' combined  
4 out-of-pocket expenses) reach the annual medical out-of-pocket maximum, most other  
5 medical benefits are paid at 100% of usual and customary charges for the rest of that  
6 benefit year.

7

8 The following medical expenses do not count toward the out-of-pocket maximums:

9

- 10 • Any balance remaining after a benefit maximum has been reached.
- 11
- 12 • Benefits not paid, or penalties you incurred, because you fail to follow medical  
13 review program procedures and requirements.
- 14
- 15 • Covered medical services paid at 100% of usual and customary charges or in full.
- 16 • Expenses for services or supplies not covered by the plan.
- 17
- 18 • Retail and mail service prescription drug program coinsurance or copayments.
- 19
- 20 • Vision care expenses.
- 21
- 22 • The difference between usual and customary charges and the provider's actual  
23 charge.
- 24

24

## 25 **Provider Choice**

26

### 27 **Network Providers**

28

29 Network providers are physicians, hospitals, and other health care providers who have  
30 contracts with the plan's service representative to provide efficient, cost-effective health  
31 care. Although you may receive care from any licensed provider covered under the plan,  
32 the plan offers certain advantages if a network provider is used.

33

34 The contracts with network providers include direct billing and payment systems. This  
35 means you do not need to submit a claim form when a network provider is used.

36

### 37 **Preferred Partnership**

38

39 Boeing has entered into partnerships with health care systems in certain regions to offer  
40 a new health plan service delivery option called the Preferred Partnership. The Preferred  
41 Partnership option is designed to improve quality, provide a better experience for you and  
42 your family, and be more affordable.

43

44 This arrangement offers access to a Preferred Partnership option to certain eligible  
45 employees based on your home address ZIP code. If a Preferred Partnership option is  
46 available to you, you will receive enrollment and Preferred Partnership materials.

47

48 If you are eligible, when enrolling, you can choose between a "standard" or a "Preferred  
49 Partnership" option for the following plans:

50

- 51 • Traditional Medical Plan.
- 52
- 53 • Select Network Plan.
- 54
- 55 • Advantage+ health plan.
- 56

56

Preferred Partnership option features include:	1
	2
• Enhanced services	3
	4
– Quicker access to network primary care providers (PCPs) and specialists with more after-hours care availability.	5
	6
	7
– More personalized and coordinated care (especially for individuals with complex medical situations).	8
	9
	10
– Greater use of online access to communicate with providers and access medical records.	11
	12
	13
• Enhanced coverage under the Traditional Medical Plan and Select Network Plan Preferred Partnership options	14
	15
	16
– PCP office visits will be covered at no charge.	17
	18
– Generic prescription drugs purchased through a network retail pharmacy or through the mail service program will be covered at no charge.	19
	20
	21
	22
• Enhanced coverage under the Advantage+ health plan Preferred Partnership option	23
	24
	25
– PCP office visits will be covered at no charge after you meet the annual deductible.	26
	27
	28
– Generic prescription drugs purchased through a network retail pharmacy or through the mail service program will be covered at no charge after you meet the annual deductible.	29
	30
	31
	32
– Company contributions to the Health Savings Account are higher than for the standard options.	33
	34
	35

## Nonnetwork Providers

Covered services obtained from nonnetwork physicians, hospitals, and other covered health care providers in a license category eligible to participate in the network (for example, M.D.s) are paid according to whether network providers are available in that location.

## Providers in a Category Not Eligible to Participate in the Network

Certain types of providers may or may not be network providers depending on their location. The plan may not have network contracts with providers in a specific category in a particular location (such as podiatrists or chiropractors in certain locations).

## Medical Review Program

The medical review program lets you and your physician know whether certain types of nonemergency care will be covered under the plan before the care is provided and the expense is incurred.

The plan pays regular benefits for certain types of nonemergency care only if the medical review program is contacted before care is received. Benefits may be limited or denied if these requirements are not followed.



1 Medical review program requirements do not apply if primary coverage is provided  
 2 through another employer's group medical plan.  
 3  
 4 All inpatient medical treatment must be authorized by the service representative.  
 5 Emergency hospital admissions must be reported and authorized within 48 hours of the  
 6 admission.  
 7

If preadmission or prior approval is...	Then the plan pays...
Obtained through the medical review program	Regular benefit levels shown in the Traditional Medical Plan Schedule of Benefits
Required but not obtained and it is later determined that the care was medically necessary	50% of the first \$2,000 of usual and customary charges (after the deductible)
Not obtained and the admission or care is not considered medically necessary under the medical review program's guidelines	No benefits; you are responsible for 100% of the charges

21 Although contacting the program is not required before emergency or pregnancy-related  
 22 admissions, you or your physician should contact the program soon after admission to  
 23 be assured whether the rest of the confinement is covered. Hospital preadmission review  
 24 for childbirth is not required for a mother and newborn for the first 48 hours following a  
 25 normal delivery or 96 hours following a cesarean section.  
 26

27 All inpatient mental health and substance use disorder treatment must be authorized  
 28 by the behavioral health service representative. Emergency hospital admissions must be  
 29 reported and authorized within 48 hours of the admission..  
 30

31 ***Voluntary Second Surgical Opinion***

32  
 33  
 34 The plan encourages you to get a second opinion before having any nonemergency  
 35 surgery.  
 36

37 A second (or third) surgical opinion will be covered under the network/nonnetwork  
 38 provider payment levels, subject to the plan's coinsurance and/or deductibles.  
 39

40 ***Individual Case Management***

41  
 42 In the event of a severe or long-term illness or injury, the service representative assists your  
 43 network provider in identifying treatment alternatives that offer cost-effective care and  
 44 enhancements to quality of life.  
 45

46 **TRADITIONAL MEDICAL PLAN SUMMARY OF COVERED MEDICAL**  
 47 **SERVICES AND SUPPLIES**

48  
 49 This summary applies to the Traditional Medical Plan.  
 50

51 ***Covered Services and Supplies***

52  
 53 In general, the plan covers medically necessary services and supplies used to diagnose  
 54 or treat a nonoccupational accidental injury or illness as well as medically appropriate  
 55 services and supplies for certain types of preventive care and other conditions, up to plan  
 56 limits.

**Acupuncture**

The plan covers medically necessary acupuncture for a covered illness or in place of covered anesthesia. Treatment must be provided by a licensed acupuncturist (L.A.C.), doctor of medicine (M.D.), or doctor of osteopathy (D.O.). You can contact the service representative to determine if acupuncture is covered for a particular condition.

**Ambulance**

Professional ambulance services are covered to transport you from the place where you are injured or become ill to the first hospital where treatment is given. These services also are covered when the physician requires an ambulance to transport you to a hospital in your area of residence to protect your health or life. Air ambulance transportation is covered when medically necessary.

Ambulance service from one hospital to another, including return, is covered only if the facility is the nearest one with appropriate regional specialized treatment facilities, equipment, or staff physicians. Ambulance transportation from or to your home is covered when medically necessary. No other expenses in connection with travel are covered.

**Ambulatory Surgical Facility**

The plan covers charges of an ambulatory surgical facility for treatment of a covered condition provided the services would be covered if received in a hospital. Charges of hospital-based facilities are covered as hospital services. Charges of approved free-standing facilities are covered as hospital alternatives.

**Centers of Excellence**

Employees covered by this agreement (and eligible dependents) who participate in the Traditional Medical Plan, Select Network Plan, Selections Plus PPO, or Advantage+ health plan may participate voluntarily in the Centers of Excellence program. The program offers a higher level of benefits for certain covered medical procedures (such as cardiac, spine surgery, and hip or knee replacement) at approved Centers of Excellence facilities that specialize in a particular treatment. At a Center of Excellence, eligible expenses will be paid at 100% (after the deductible, where applicable). If participants must travel 75 miles or more from their residence to a Center of Excellence, the plan also offers certain travel benefits.

The Company reserves the right to unilaterally alter, amend, and /or modify any or all terms of this and other voluntary programs at its sole discretion without further bargaining.

**Christian Science Sanatorium**

Charges for a semiprivate room in a sanatorium are covered if you are admitted for the process of healing (not rest or study) and are under the care of an authorized Christian Science practitioner. If a private room in a sanatorium is used, you are responsible for the difference between the charge for the private room and the sanatorium's average charge for a semiprivate room. If the facility provides only private rooms, the plan covers up to the charge for semiprivate rooms in similar local facilities.

A Christian Science sanatorium is a facility that, at the time of the healing treatment, is operated (or listed) and certified by the First Church of Christ, Scientist, in Boston, Massachusetts.

**Congenital Abnormalities and Hereditary Complications**

Medically necessary services and supplies are covered when required for the treatment of

1 congenital abnormalities and hereditary complications. This coverage applies to newborn  
2 children as well as to all other persons covered under the plan.

3  
4 **Cosmetic Surgery**

5  
6 The plan covers necessary services and supplies for cosmetic surgery only if the surgery is  
7 required for the prompt repair of an accidental injury or improvement of function due to  
8 congenital abnormality. All other surgery performed for cosmetic purposes is excluded,  
9 except as specifically provided for treatment after a mastectomy (see Reconstructive  
10 Breast Surgery).

11  
12 **Dental Repair of Accidental Injury**

13  
14 Services and supplies for the prompt repair of sound natural teeth or other body tissues  
15 as a result of an accidental injury are covered, but only to the extent they are not covered  
16 by your Company-sponsored dental plan. This may include surgical procedures of the jaw,  
17 cheek, lips, tongue, and other parts of the mouth and treatment of fractures in the facial  
18 bones (maxilla or mandible).

19  
20 **Diagnostic X-Ray and Laboratory Services**

21  
22 Diagnostic X-ray and laboratory examinations are covered, including those in connection  
23 with a voluntary second or third surgical opinion.

24  
25 **Durable Medical Equipment**

26  
27 The plan covers the rental (or purchase, when approved by the service representative)  
28 of medically necessary durable medical or surgical equipment when prescribed by a  
29 physician. Covered equipment must be:

- 30  
31 • Able to withstand repeated use.  
32  
33 • Solely for the treatment or improvement of a critical function related  
34 to the medical condition.  
35  
36 • Appropriate for use in the home.  
37

38 Examples of covered durable medical equipment are crutches, wheelchairs, kidney  
39 dialysis equipment, standard hospital beds, oxygen equipment, and diabetic supplies and  
40 equipment such as blood glucose monitors, insulin infusion devices, and insulin pumps.  
41 Covered equipment must not be useful to a person in the absence of the medical condition.

42  
43 The repair or replacement of durable medical equipment due to normal usage or change  
44 in the patient's condition, including growth of a child, also is covered.

45  
46 **Emergency Room**

47  
48 Emergency room treatment at either a network or nonnetwork facility is paid at the  
49 network level if it is a true medical emergency. A patient admitted to a nonnetwork  
50 hospital retains emergency status (and benefits are paid at the network level) for 24 hours  
51 or until the patient can be transferred safely to a network facility. However, for care at a  
52 nonnetwork facility when the condition is not a true medical emergency, covered services  
53 are paid at the nonnetwork level

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**Erectile Dysfunction**

Erectile dysfunction treatment is covered when the patient has a history of one or more of the following:

- Diabetes.
- Major pelvic surgery.
- Peripheral neuropathy or autonomic insufficiency.
- Peripheral vascular disease or local penile vascular abnormalities.
- Prostate cancer.
- Severe Peyronie’s disease.
- Spinal cord disease or injury.
- Another covered medical or mental health condition for which erectile dysfunction is a treatable symptom.

Covered therapy includes vacuum erection devices, injection therapy, a penile prosthesis, urethral pellets, and prescription medications.

**Hearing Aids**

Plan benefits include cost and installation of a hearing aid when recommended in writing by a physician or certified audiologist as well as the overhaul of a hearing aid in place of a new hearing aid. Benefit periods are described in the Traditional Medical Plan Summary of Benefits.

**Hemodialysis**

The plan covers repetitive hemodialysis treatment for chronic, irreversible kidney disease. Covered services and supplies include the rental or lease of hemodialysis equipment.

Hemodialysis treatment and equipment are covered by the plan for the first 30 months following Medicare entitlement due to end-stage renal disease. After this 30-month period, Medicare provides primary coverage and the plan provides secondary coverage. If you or your covered dependent does not enroll in Medicare when it becomes the primary plan, benefits under this plan will still be reduced in the same manner as if you (or your covered dependent) were enrolled in Medicare.

**Home Health Care**

Medically necessary home health care visits and supplies are covered if inpatient care in a hospital or skilled nursing facility otherwise would be required. In addition, you must be considered homebound, which means leaving home involves a considerable and taxing effort and public transportation cannot be used without the help of another. Benefits are limited to 120 visits each benefit year.

Home health care requires prior approval; see Medical Review Program in the Traditional Medical Plan Summary of Benefits. Before receiving home health care, the attending physician must provide a written treatment plan (a written program for continued care and treatment). Then, at least once every 2 months, the physician must review the treatment plan and certify that your condition and treatment continue to meet home health care criteria.

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1 The following home health care visits and supplies are covered if provided and billed by an  
2 approved home health care agency:

- 4 • Home health aide visits.
- 5 • Medical social visits provided by a
- 6 person with a master's degree in social
- 7 work (M.S.W.).
- 8 • Medical supplies that would have
- 9 been provided on an inpatient basis.
- 10 • Nursing visits provided by a registered
- 11 nurse (R.N.) or licensed practical nurse
- 12 (L.P.N.).
- 13 • Nutritional guidance by a registered
- 14 dietitian.
- 15 • Nutritional supplements (such as diet
- 16 substitutes) administered intravenously
- 17 or through hyperalimentation.
- 18 • Occupational therapy visits provided
- 19 by an occupational therapist.
- 20 • Physical therapy visits provid-
- 21 ed by a physical therapist.
- 22 • Physician services.
- 23 • Respiratory therapy visits
- 24 provided by an inhalation
- 25 therapist certified by the
- 26 National Board of Respiratory
- 27 Therapists.
- 28 • Services and supplies for
- 29 infusion therapy. (Patients do
- 30 not need to meet the treatment
- 31 plan and homebound
- 32 requirements.)
- 33 • Speech therapy visits
- 34 provided by a speech
- 35 therapist.

### 26 **Hospice Care**

27 Hospice care is provided to terminally ill patients in an effort to control pain and other  
28 symptoms associated with terminal illness. The plan covers these services for a patient  
29 whose life expectancy has been determined to be 6 months or less.

30 Hospice care requires prior approval; see Medical Review Program in the Traditional Medical  
31 Plan Summary of Benefits. Before receiving hospice care, the attending physician must  
32 provide a written treatment plan (a written program for continued care and treatment).  
33 Then, at least once every 2 months, the physician must review the treatment plan and  
34 certify that the patient's condition and treatment continue to meet hospice care criteria.  
35 An approved hospice treatment plan may include both inpatient and outpatient care. If  
36 hospital inpatient care is approved, the plan covers hospice care on the same basis as for  
37 other types of hospital inpatient care. Skilled nursing facility or hospital outpatient care  
38 also are covered for the hospice patient on the same basis as for other patients. The plan  
39 also covers prescription drugs and durable medical equipment for hospice care on the  
40 same basis as for other types of care.

41 The plan covers home health care visits and supplies listed in Home Health Care above  
42 if they are part of an approved hospice treatment plan and provided and billed by an  
43 approved hospice agency. An approved hospice agency is a public or private organization  
44 that administers and provides hospice care and is either Medicare approved or operating  
45 under the direction and control of the licensing or regulatory agency in its location.

46 In addition, the plan covers respite care visits of 2 or more hours to provide temporary relief  
47 to family members and friends who care for the patient, up to 120 hours every 3 months.

### 53 **Hospital Services**

54 The plan covers charges for a semiprivate room and medically necessary hospital services  
55 and supplies.

The cost of a private room is covered if medically necessary. If a private room is used when it is not medically necessary, the patient is responsible for the difference between the charge for the private room and the hospital's average charge for a semiprivate room. If the hospital provides only private rooms, the plan covers up to the charge for semiprivate rooms in similar local facilities.

All inpatient hospital services require preadmission review, except in an emergency.

See Medical Review Program in the Traditional Medical Plan Summary of Benefits for more information.

### ***Infertility***

The plan covers the following services in connection with the diagnosis and treatment of infertility:

- Diagnostic tests necessary to determine the cause of infertility.
- Surgical correction of a condition causing or contributing to infertility.
- Conventional medical treatment such as office visits, laboratory services, and prescription drugs for infertility.

### ***Mental Health and Substance Use Disorder Program***

The Boeing mental health and substance use disorder program provides benefits for mental health treatment and substance use disorder treatment (including abuse of or addiction to alcohol, recreational drugs, or prescription drugs). The program is administered by the behavioral health service representative shown in the Traditional Medical Plan Summary of Benefits.

To be reimbursed under the plan, all mental health and substance use disorder treatment must be determined medically necessary. All care is reviewed for medical necessity whether or not you contact the behavioral health service representative.

**Mental Health Treatment Coverage** The plan covers medically necessary mental health treatment from any provider contracted with the behavioral health service representative, including any licensed clinical psychologist, hospital or treatment facility, psychiatric doctor (M.D.), psychiatric nurse (R.N.), or professional at the master's level or above who is licensed in the area where services are performed.

The plan also covers medically necessary ABA therapy for the treatment of autism spectrum disorder when received from an ABA provider contracted with the service representative or from an eligible provider, including providers who are licensed or who possess a state-issued or state-sanctioned certification in such therapy, behavior analysts certified by the Behavior Analyst Certification Board ("BACB"), Registered Behavioral Technicians ("RBTs") certified by the BACB or equivalent paraprofessionals who work under the supervision of a licensed provider or a certified behavior analyst.

If the mental health treatment is related to, accompanies, or results from substance use disorder, coverage is provided solely under substance use disorder provisions.

**Substance Use Disorder Treatment Coverage** The plan covers medically necessary alcoholism treatment and other types of substance use disorder treatment at an approved treatment facility or hospital as well as physician and licensed therapist services and prescription drugs. The treatment, services, and drugs must be part of a specific treatment

1 plan prepared by your attending physician and certified as covered under the plan. (An  
2 approved substance use disorder treatment facility is one that treats chronic alcoholism  
3 and/or drug abuse that is licensed and regulated by the appropriate governmental agency  
4 in its location.)  
5

### 6 **Neurodevelopmental Therapy**

7  
8 The plan covers neurodevelopmental therapy. In-home neurodevelopmental therapy  
9 is covered if the patient is homebound. Therapists must meet licensing or certification  
10 requirements as described below.  
11

12 Neurodevelopmental therapy is physical, occupational, and speech therapy for treatment  
13 of neurodevelopmental delay. Neurodevelopmental delay means lack of development of  
14 motor or speech function not due to injury or trauma.  
15

### 16 **Occupational, Physical, and Speech Therapy**

17  
18 Certain types of therapy are covered, but only to the extent that the therapy will  
19 significantly restore function. To be covered, the services of a physical therapist for physical  
20 therapy, an occupational therapist for occupational therapy, and a speech therapist for  
21 speech therapy must be prescribed by a physician as to type and duration of treatment.  
22 Services must be provided under a physician's supervision while you remain under the  
23 attending physician's care. The service representative will review the therapy periodically.  
24 Benefit determination is based on the attending physician's evaluation of the therapy as  
25 well as the therapist's progress reports. The information from the physician and therapist is  
26 then reviewed against established medical criteria to determine medical necessity.  
27

28 No benefits are payable for therapy given at the therapist's discretion, elected by the  
29 covered person, for any treatment for delayed development or therapy that is solely for  
30 the purpose of slowing body degeneration rather than restoring functional improvement,  
31 custodial maintenance, self-help, recreational, or educational therapy.  
32

33 **Licensing and Certification Requirements** Occupational, physical, and speech therapists  
34 must meet licensing or certification requirements as follows:  
35

- 36 • The therapist must be duly licensed in the areas where services are performed  
37 and must be practicing within the scope of that license.  
38
- 39 • In the absence of licensing requirements, the therapist must be certified as a  
40 registered:
  - 41 – Occupational therapist by the American Occupational Therapy  
42 Association.
  - 43 – Physical therapist by the American Physical Therapy Association.
  - 44
  - 45 – Speech therapist by the American Speech and Hearing Association.  
46
  - 47
  - 48

### 49 **Oral Surgery**

50  
51 The plan covers certain services and supplies provided by a physician or dentist to the extent  
52 they are approved by the service representative and are not covered under a dental plan.  
53

### 54 **Orthopedic Appliances and Braces; Orthotics**

55  
56 Braces, splints, orthopedic appliances, and orthotic supplies are covered. This includes

necessary repair and replacement required by normal usage or change in the patient's condition such as growth of a child. Orthopedic shoes, lifts, wedges, and inserts (orthotics) are covered if prescribed by a physician and custom made for the patient. These items are covered as part of the durable medical equipment benefits. Over-the-counter items will not be covered.

### **Oxygen and Anesthesia**

The plan covers oxygen and anesthesia.

### **Physician Services**

Services of a licensed physician generally are covered when medically necessary for the diagnosis or treatment of nonoccupational accidental injuries, illnesses, or other covered conditions.

Physician services also are covered for:

- An eye examination (including refraction) if performed because of another medical condition such as diabetes, glaucoma, or cataracts (routine eye examinations are covered under the vision care program).
- Antigen, allergy vaccine, insulin, and other drugs and devices (including contraceptive injections, devices, and implants) dispensed by a physician.
- Injectable legend drugs administered in a physician's office and used to treat a covered condition.
- Preventive care.
- Voluntary second or third surgical opinions.

**Other Professional Services** The plan covers certain health care services when provided either by a physician or another type of health care professional. All health care professionals must be licensed by the state where the services are performed and must be acting within the scope of that license. In the absence of licensing requirements, appropriate certification is required.

Covered health care professionals include:

- Acupuncturists (L.A.C.) for covered acupuncture services.
- Chiropractors providing covered chiropractic services.
- Christian Science practitioners listed in the current *Christian Science Journal* at the time they provide a service.
- Clinical psychologists and master's level therapists for mental health or substance use disorder treatment for conditions covered under the plan.
- Dentists for covered dental work or surgery.
- Neurodevelopmental, occupational, physical, and speech therapists.
- Physician assistants for services that would have been covered if performed by a physician licensed as an M.D.
- Podiatrists providing covered podiatric services.



- Qualified providers of applied behavioral analysis (ABA) therapy.
- Registered nurses (R.N.) for services that would have been covered if performed by a physician licensed as an M.D. The plan also covers intermittent visits by an R.N. when skilled care in place of hospitalization is not available through an alternative provider at a lesser cost.

### ***Pregnancy-Related Conditions and Coverage of Newborns***

Medically necessary services and supplies are covered for pregnancy-related conditions of you and your dependents if they are provided while covered under the plan.

Covered pregnancy-related conditions include normal delivery, cesarean section, spontaneous abortion (miscarriage), legal abortion, and complications of pregnancy.

Approved birthing center services are covered if they would be covered when received in a hospital. (A birthing center is a facility for normal delivery operating under the direction and control of the licensing or regulatory agency in its location.)

Group health plans and health insurance issuers generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours, as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

A newborn is eligible from the date of birth if he or she qualifies as your dependent and is enrolled within applicable changes in status time frames. The following services and supplies are covered for an enrolled newborn, subject to the plan's annual deductible, coinsurance, and benefit payment levels:

- Routine hospital services and supplies and physician services during the first 48 hours following a normal delivery or 96 hours following a cesarean section.
- Medically necessary hospital and physician services and supplies.

Coverage of a newborn continues as long as the child remains an eligible dependent and is enrolled in the plan.

### ***Preventive Care***

The plan covers preventive care services if you use a network provider and you live in the network service area. (If you do not live in the network service area, you may use any licensed provider.) See the Traditional Medical Plan Summary of Benefits for details.

### ***Prostheses***

Artificial limbs, artificial eyes, and other prostheses to replace a missing body part are covered, including the necessary repair and replacement required by normal usage or change in the patient's condition such as growth of a child.

**Radiation and Chemotherapy**

The plan covers radiation therapy (including X-ray therapy) and chemotherapy.

**Reconstructive Breast Surgery**

Covered individuals who have had or are going to have a mastectomy may be entitled to certain benefits under the Women’s Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided, in a manner determined in consultation with the attending physician and the patient, for:

- All stages of reconstruction of the breast on which the mastectomy was performed.
- Surgery and reconstruction of the other breast to produce a symmetrical appearance.
- Prostheses.
- Treatment of physical complications of the mastectomy, including lymphedemas.

These benefits are provided subject to the same deductible, copayment, and coinsurance applicable to other medical and surgical benefits provided under the plan.

**Skilled Nursing Facility**

The plan covers charges for a semiprivate room in a skilled nursing facility as well as medically necessary services and supplies when provided in place of covered hospital inpatient care. Skilled nursing facility services also are covered for a terminally ill patient when the illness has reached a point of predictable end. Nonemergency admissions must be approved in advance; see Medical Review Program in the Traditional Medical Plan Summary of Benefits.

A skilled nursing facility is an institution approved as such by Medicare. If a private room is used, you are responsible for the difference between the charge for the private room and the facility’s average charge for a semiprivate room. If the facility provides only private rooms, the plan covers up to the charge for semiprivate rooms in similar local facilities.

**Tobacco Cessation**

The plan covers tobacco cessation services and supplies that are provided by a physician, another health care professional who is practicing within the scope of his or her license, and an approved tobacco cessation provider. The plan also covers prescribed over-the-counter tobacco cessation drugs at the same level as other prescription drugs in the same category.

**Spinal and Extremity Manipulations**

The plan covers spinal and extremity manipulations by an approved provider, such as a doctor of medicine (M.D.), a doctor of osteopathy (D.O.), or a chiropractic doctor (D.C.), for spinal and extremity manipulations performed by hand. Multiple spinal and extraspina

l manipulations performed by hand during the same visit are considered 1 manipulation visit. Related services, such as an initial examination and initial X-rays, also are covered.

1    **Substance Use Disorder Treatment**

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3    See Mental Health and Substance Use Disorder Program.

4  
5    **Temporomandibular Joint Dysfunction and Myofascial Pain Dysfunction Syndrome**  
6    **(TMJ/MPDS) Treatment**

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8    The plan covers the following surgical and nonsurgical services and supplies to treat TMJ/  
9    MPDS when provided by a physician or dentist:

- 10  
11    •    Appliance management, including kinesiotherapy, physical therapy,  
12        biofeedback therapy, joint manipulation, prescription drugs, injections of  
13        muscle relaxants, and therapeutic drugs or agents.
- 14  
15    •    Appliances, including night guards, bite plates, orthopedic repositioning  
16        devices, or mandibular orthopedic devices.
- 17  
18    •    Follow-up office visits.
- 19  
20    •    Initial diagnostic examinations and X-rays.
- 21  
22    •    Surgical procedures and related hospitalizations.

23  
24    TMJ/MPDS treatment must be approved in advance in accordance with written guidelines.

25  
26    **Transplants**

27  
28    The plan covers medically necessary services and supplies related to covered transplants.  
29    Transplants that are part of an approved clinical trial also may be covered. Contact the  
30    service representative for more information about covered services and supplies.

31  
32    If you or your covered dependent receives a human organ or tissue transplant covered by  
33    the plan, certain donor organ procurement costs also may be covered. Benefits are limited  
34    to selection, removal of the organ, storage, transportation of the surgical harvesting team  
35    and the organ, and other medically necessary procurement costs.

36  
37    **Vasectomy and Tubal Ligation**

38  
39    The plan covers services and supplies required for a vasectomy or tubal ligation, but not  
40    those related to a reversal.

41  
42    **Wigs**

43  
44    The plan covers wigs (or hair prostheses) if hair loss is a result of chemotherapy or radiation  
45    therapy.

46  
47    **Exclusions**

48  
49    Charges for the following items are deducted from a health care provider's bill before the  
50    plan pays benefits for covered services and supplies. The plan does not pay charges for or  
51    related to the following:

- 52  
53    •    Accident or illness covered by a workers' compensation law.
- 54  
55    •    Amounts exceeding allowed charges or usual and customary charges. An  
56        allowed charge is the amount that would have been paid for like services or

supplies to a network provider.	1
	2
• Benefits payable under any automobile medical, personal injury protection (PIP), automobile no-fault, automobile uninsured or underinsured motorist, homeowner's, or commercial premises medical coverage, when that contract or insurance is issued to or provides benefits available to the patient. Any benefits paid by the plan before benefits are paid under one of these other types of contracts or insurance are to assist the patient, and do not indicate the service representative is acting as a volunteer or waiving any right to reimbursement or subrogation.	3 4 5 6 7 8 9
• Completion of claim forms or reports.	10 11 12
• Confinement or surgical, medical, or other treatment, services, or supplies received in or from a U.S. Government hospital, except as required by law.	13 14 15
• Counseling (other than medical)—career, child, family, financial, marriage, pastoral, or social adjustment.	16 17 18
• Custodial care as follows:	19 20
– Care that does not require the continuing services of skilled medical or health professionals and primarily is provided to assist in activities of daily living.	21 22 23
– Institutional care primarily to support self-care and provide room and board.	24 25
Custodial care includes, but is not limited to, help in walking, getting into and out of bed, bathing, dressing, feeding, preparing special diets, and supervising medications that ordinarily are self-administered.	26 27 28 29
• Dental services except as otherwise specifically provided.	30 31
• Dyslexia, visual analysis therapy, or training related to muscular imbalance of the eye or for orthoptics. However, coverage is provided for up to 6 months when necessary to correct muscle imbalance (strabismus, esotropia, or exotropia) if treatment begins before the person's 12th birthday.	32 33 34 35 36
• Education, special education, or job training—whether or not by a facility that also provides medical or psychiatric care.	37 38 39
• Equipment or supplies not solely related to the medical care of a diagnosed illness or injury; examples include, but are not limited to:	40 41 42
– Adjustable bed.	43 44
– Any luxury or convenience item or supply.	45 46
– Environmental control devices (air conditioners, purifiers, humidifiers).	47 48
– Equipment used primarily to prevent illness or injury.	49 50
– General exercise equipment.	51 52
– Items designed primarily to assist a person caring for the patient.	53 54
– Items generally useful in the absence of a medical condition.	55 56

- 1                   – Modification to home (wheelchair ramps, support railings), automobile,  
2                   or van (ramps, lifts).  
3  
4                   – Orthopedic chair.  
5  
6                   – Personal hygiene items.  
7  
8                   – Special car seat.  
9  
10                  – Swimming pool, spa, or whirlpool.  
11  
12                  • Experimental or investigational services or supplies or related complications.  
13  
14                  • Full-body computerized axial tomography (CAT) scans or other full-body  
15                  imaging.  
16  
17                  • Hearing aid care as listed below:  
18                   – Eyeglass-type hearing aids to the extent the charge exceeds the covered  
19                   amount for hearing aids.  
20  
21                   – Hearing or audiometric examinations, unless disease is present;  
22                   however, hearing examinations are covered if performed as part of a  
23                   covered preventive care physical examination.  
24  
25                   – Hearing aids ordered before you become eligible for coverage or after  
26                   coverage terminates.  
27  
28                   – Hearing aids ordered before termination of coverage but delivered  
29                   more than 60 days after coverage ends.  
30  
31                   – Hearing aids that do not meet professionally accepted standards,  
32                   including any experimental services or supplies.  
33  
34                   – Replacement batteries.  
35  
36                   – Replacement of lost, broken, or stolen hearing aids, unless the 3-year  
37                   period has been exhausted.  
38  
39                   – Replacement parts for hearing aid repair, unless part of an overhaul  
40                   after 3 years.  
41  
42                  • Home health care and hospice care services as listed below:  
43                   – Homemaker or housekeeping services.  
44  
45                   – Hospice services of financial, legal, or spiritual counselors.  
46  
47                   – Hospice services to other family members, including bereavement  
48                   counseling.  
49  
50                   – Maintenance or custodial care.  
51  
52                   – Services provided by volunteers, household members, family, or friends.  
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– Social services.	1
– Supplies or services not included in the written home health or hospice care treatment plan or not otherwise covered.	2
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– Unnecessary or inappropriate services, food, clothing, housing, or transportation.	5
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• Infertility services or supplies not specifically covered, including but not limited to:	8
	9
– Any tests, visits, consultations, or treatment related to, leading to, or resulting in one of the noncovered services listed below.	10
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	12
– Artificial insemination.	13
	14
– Consecutive follicular ultrasounds, cycle therapy, or corresponding laboratory tests when associated with any artificial means of conception.	15
	16
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	18
– Embryo transfer.	19
	20
– Fertility drugs when associated with artificial means of conception.	21
	22
– Gamete intrafallopian transfer (GIFT).	23
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– In vitro fertilization.	25
	26
– Microinjections.	27
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– Sperm preparation.	29
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– Sperm separation.	31
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– Zona drilling.	33
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• Intentionally self-inflicted injury, unless you are under treatment for a diagnosed mental health condition.	35
	36
	37
• Missed appointments.	38
	39
• Nonorganic impotence such as psychosexual dysfunction.	40
	41
• Obesity services and supplies unless approved in advance by the service representative in accordance with written guidelines. (A copy of the guidelines may be requested by calling the service representative.)	42
	43
	44
	45
• Over-the-counter items, including but not limited to medications, orthopedic appliances, and braces. However, the plan covers prescribed over-the-counter tobacco cessation drugs at the same level as other prescription drugs in the same category.	46
	47
	48
	49
	50
• Prescription drugs unless covered as part of a hospital stay; see Traditional Medical Plan Prescription Drug Program for outpatient prescription drug benefits.	51
	52
	53
• Recovery houses, school programs, or emergency service patrols.	54
	55
• Reversal of a sterilization procedure.	56

- Refractive surgery including radial keratotomy, Lasik, or other eye surgery to correct refractive errors, except when preoperative visual acuity is 20/50 or less with a lens.
- Services or supplies the service representative determines are not medically necessary for treatment of an accidental injury, illness, or other condition covered under the plan. This includes routine physical examinations, immunizations, or other preventive services or supplies, except as specifically provided by the plan or required by law.

Inpatient hospital care (including physician visits while hospitalized) is not considered medically necessary when the care can be provided safely in an outpatient setting—such as a hospital outpatient department, physician's office, or an ambulatory surgical facility—without adversely affecting your physical condition.

Examples of care that generally should be provided in an outpatient setting include observation and/or diagnostic studies, surgery that can be performed on a same-day basis, and psychiatric care primarily to control or change the patient's environment.

- Services or supplies for which no charge is made or charges you or your dependent is not required to pay.
- Services or supplies not recommended and approved by a physician or other covered health care professional or those provided before the person becomes covered under the plan.
- Services or supplies required by law to be provided by any school system.
- Services or supplies to the extent they are covered under any discontinued Company-sponsored plan.
- Services or supplies covered under any Federal, state, or other government plan, except where required by law.
- Sex transformation treatment or services, except when medically necessary to treat a mental health condition (e.g., gender dysphoria).
- Skilled nursing facility services when they are not usually provided by such facilities or are not expected to lessen the disability and enable the person to live outside the facility. However, skilled nursing facility services are covered for the terminal patient when the illness has reached a point of predictable end.
- Transplant services or supplies as listed below:
  - Donor or procurement services or costs incurred outside the United States, unless specifically approved by the service representative.
  - Donor services or supplies when donor benefits are available through other group coverage.
  - Expenses for that portion of treatment funded by government or private entities as part of an approved clinical trial.
  - Expenses when the recipient is not covered under the medical plan.
  - Experimental or investigational services or supplies unless they are part of an approved clinical trial.

- Living (nongraft) donor transplants that are not specifically authorized and covered by the medical plan. 1  
2  
3
- Lodging, food, or transportation costs, unless otherwise specifically provided under the medical plan. 4  
5  
6
- Nonhuman, artificial, or mechanical transplants, unless specifically approved by the service representative. 7  
8  
9
- Vision care (routine or refractive) except as specifically provided. 10  
11

**Definitions** 12

**Benefit Year** is January 1 through December 31, annually. 13  
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**Company-Sponsored Plan** is a group medical or dental plan provided by the Company (or a subsidiary or affiliate) for employees and dependents. This includes the Traditional Medical Plan. (To find out whether a particular plan is Company-sponsored, contact the Boeing Service Center for Health and Insurance Plans.) 16  
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**Dentist** is a legally qualified dentist practicing within the scope of his or her license. 21  
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**Emergency** is the sudden, unexpected onset of serious illness or severe injury that could result in (or a prudent person would have reason to believe could result in) death, permanent damage or impairment of bodily function, or loss of limb use if not treated immediately. For mental health and substance use disorder coverage, a situation is also considered an emergency when there is imminent danger to you or others, or you are medically compromised as a result of mental health condition or substance use disorder. 23  
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**Medically Necessary Service or Supply** meets the following criteria, as determined by the service representative. A service or supply may be medically necessary in part only. The fact the service or supply is furnished, prescribed, recommended, or approved by a physician does not, by itself, make it medically necessary. A service or supply is medically necessary if it is: 30  
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- Appropriate as good medical practice. 35  
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- Consistent with the condition’s symptom or diagnosis and treatment. 37  
38
- Not able to be provided safely in an outpatient setting (for an inpatient service or supply). 39  
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- Professionally and broadly accepted as the usual, customary, and effective means of diagnosing or treating the illness, injury, or condition. 42  
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- Required to diagnose or treat your condition and the condition could not have been diagnosed or treated without it. 45  
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- The most appropriate service or supply essential to your needs. 48  
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**Mental Health Condition** is a disorder (including an eating disorder) that exhibits signs, symptoms, history, and other characteristics congruent with those required for a mental disorder diagnosis enumerated in the *Diagnostic and Statistical Manual of Mental Disorders*, fifth edition (DSM-5). 50  
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**Nurse** is a person duly licensed as a registered nurse (R.N.) in the area where his or her services are performed and practicing within the scope of that license. 55  
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1 **Physician** is a person licensed as a medical doctor (M.D.) or doctor of osteopathy (D.O.)  
2 duly licensed to prescribe and administer all drugs and to perform surgery.  
3

4 **Psychologist** is a person duly licensed as a clinical psychologist in the area where his or her  
5 services are performed and practicing within the scope of that license.  
6

7 **Service Representative** is an agent that has a contract with the Company to make benefit  
8 determinations and administer benefit payments under the plan and programs described  
9 in this summary. The Company may change a service representative at any time.  
10

11 **Substance Use Disorder** is an alcohol or drug-related disorder that exhibits signs,  
12 symptoms, history, and other characteristics congruent with those required for a  
13 substance-related disorder as enumerated in the *Diagnostic and Statistical Manual of*  
14 *Mental Disorders*, fifth edition (DSM-5).  
15

## 16 **TRADITIONAL MEDICAL PLAN PRESCRIPTION DRUG PROGRAM**

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18 The prescription drug program described here is available to active and retired employees  
19 and dependents enrolled in the Traditional Medical Plan.  
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21 This program offers 2 coverage options for prescription drugs and medicines:  
22

- 23 • Retail pharmacy program.
- 24
- 25 • Mail service program.  
26

27 A formulary applies to all retail pharmacy and mail order purchases. (A formulary is a list  
28 of drugs determined to be effective in both cost and treatment and approved by the Food  
29 and Drug Administration (FDA). A nonformulary drug also may be effective for treatment,  
30 but is not as cost-effective as formulary or generic drugs. A group of practicing physicians  
31 and pharmacists routinely reviews drugs to include in the formulary. If clinical data show  
32 several drugs are equally effective, the most cost-effective drug usually is chosen. The  
33 formulary may change from time to time.)  
34

35 There are 3 categories of prescription drug purchases:  
36

- 37 • **Generic**—drugs that are chemically and therapeutically equivalent to their  
38 brand-name counterparts but usually cost less.
- 39 • **Brand-name formulary**—brand-name drugs selected for the formulary based  
40 on cost and effectiveness.
- 41
- 42 • **Brand-name nonformulary**—brand-name drugs not selected for the  
43 formulary.  
44

45 The program includes utilization management services (see Pharmacy Management) to  
46 help ensure cost-effective, clinically appropriate treatment.  
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**Schedule of Benefits**

<b>Traditional Medical Plan Prescription Drug Program Schedule of Benefits</b>		
<b>The prescription drug program is administered by Express Scripts (the service representative). **</b>		
	<b>Network</b>	<b>Nonnetwork</b>
Prescription Drug Annual Out-of-Pocket Maximum	\$4,000 individual/\$8,000 family for network prescription drug expenses	Not applicable
Participating Retail Pharmacy***, *** (up to a 34-day supply)		
Generic	Member pays 10%; \$5 minimum, \$25 maximum	Member pays 10%; \$5 minimum, \$25 maximum
Brand-Name Formulary	Member pays 20%; \$15 minimum, \$75 maximum	Member pays 20%; \$15 minimum, \$75 maximum
Brand-Name Nonformulary	Member pays 30%; \$30 minimum, no maximum	Member pays 30%; \$30 minimum, no maximum
Mail Service Program (up to a 90-day supply)		
Generic	\$10 copayment	Not covered
Brand-Name Formulary	\$40 copayment	Not covered
Brand-Name Nonformulary	\$70 copayment	Not covered
<p>* The annual deductible does not apply.</p> <p>** Prescriptions purchased from a nonparticipating retail pharmacy will be reimbursed based on the covered charges for a participating retail pharmacy; however these expenses will not apply to the prescription drug annual out-of-pocket maximum.</p> <p>***Prescription drug program will cover emergency use at a nonparticipating pharmacy.</p>		

**Retail Pharmacy Program**

This program covers medically necessary prescription drugs required by Federal or state law to be prescribed in writing by a physician or dentist and dispensed by a licensed pharmacist. Covered prescriptions include legend drugs, contraceptive medications, tobacco cessation drugs, self-administered injectable drugs, insulin, needles and syringes, test strips, lancets, and alcohol swabs.

Prior authorization may be required for certain medications.

The retail pharmacy program covers up to a 34-day supply per prescription or refill.

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1 Coverage for generic contraceptives and single-source contraceptives will be 100%.

2  
3 The prescription drug program will cover emergency use at a nonparticipating pharmacy  
4 as in network.

5  
6 **Mail Service Program**

7  
8 The program covers medically necessary prescription drugs and medicines required by  
9 Federal or state law to be prescribed in writing by a physician or dentist and dispensed  
10 by a licensed pharmacist. Covered prescriptions include legend drugs, contraceptive  
11 medications, tobacco cessation drugs, self-administered injectable drugs, insulin, needles  
12 and syringes, test strips, lancets, and alcohol swabs.

13  
14 Prior authorization may be required for certain medications.

15  
16 The program covers up to a 90-day supply per prescription or refill. Authorized refills  
17 are covered only after the initial order has been used. Certain controlled substances are  
18 subject to quantity limits.

19  
20 Unless the physician indicates otherwise, you will receive a generic equivalent of the  
21 prescribed drug when available and permissible under the law. You also may receive a  
22 different brand that is medically equivalent.

23  
24 **Prescription Drug Annual Out-of-Pocket Maximum**

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26 A prescription drug out-of-pocket maximum, separate from the medical out-of-pocket  
27 maximum, will apply to covered out-of-pocket costs for network prescription drugs. All  
28 network prescription drug cost-sharing amounts apply to the prescription drug annual  
29 out-of-pocket maximum.

30  
31 When your prescription drug out-of-pocket expenses (or when your family members'  
32 combined prescription drug out-of-pocket expenses) reach the prescription drug annual  
33 out-of-pocket maximum, the plan will pay 100% of your covered network prescription  
34 drug costs for the rest of that benefit year.

35  
36 The following expenses do not apply toward the individual or family prescription drug  
37 out-of-pocket maximums:

- 38  
39 • The cost difference between a brand-name drug and a generic drug that you pay  
40 when you (or your physician) request a brand-name drug and a generic is available.  
41  
42 • Prescription services or supplies the plan does not cover.

43  
44 **Pharmacy Management**

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46 Certain dosages, quantities, and medications require preapproval by the service  
47 representative. Specific drugs are reviewed by the service representative at the point of  
48 sale to determine if your prescription is covered by the plan, clinically appropriate, and  
49 consistent with usage guidelines.

50  
51 The service representative applies standards based on FDA-approved labeling and clinical  
52 guidelines. The service representative will seek to ensure that you receive the most  
53 appropriate prescription for your condition by reviewing:

- 54  
55 • Possible interactions with other current prescriptions.

56

- Cost-effectiveness.
- Whether the prescription is age appropriate.
- Whether the dosage and quantity are appropriate.

In certain situations, it may be more clinically appropriate to take a stronger dose once a day than to take a lower dose twice a day. If this opportunity exists, the service representative may ask your physician to approve the changes to the dosage and strength before authorizing payment with your pharmacist.

Should a drug require preapproval, your physician will be required to furnish the service representative with clinical information. You, the pharmacy, or the physician may initiate the request for this review by calling the service representative.

**Generic Incentive Program**

To encourage the use of generic drugs, if a brand-name drug is purchased when a chemically equivalent generic is available (for both retail pharmacy and mail service)—whether you or your physician requests the brand-name drug—you will pay the generic coinsurance/copayment plus the cost difference between the brand-name drug and generic drug.

If for any reason your physician believes that you must use a brand-name drug, he or she can ask for a coverage review by calling the service representative. The service representative will request information from your physician and review it to determine if your need for the brand-name drug meets the conditions to qualify for coverage. If coverage is approved, you will be charged the brand coinsurance/copayment for the brand-name drug. If coverage is not approved, coverage will be provided according to the generic incentive program.

**Specialty Care Pharmacy**

Specialty medications are typically injectable medications administered by you or a health care professional, and they often require special handling. Newly prescribed medications may be purchased at any participating retail pharmacy up to 2 times. After that, the plan will cover these prescriptions only if they are purchased through the service representative's specialty care pharmacy.

The specialty care pharmacy program will not apply to medications ordered and billed through a physician's office.

**Prescription Drug Program Exclusions**

The following items are excluded under both the retail pharmacy program and the mail service program:

- Any prescription filled in excess of the number prescribed by the physician or any refill after 1 year from the date of the prescription.
- Any prescription for which the person is eligible to receive benefits under another employer's group benefit plan or a workers' compensation law or from any municipal, state, or Federal program.
- Any service or supply otherwise excluded by the Traditional Medical Plan or the vision care program.

- 1 • Appliances or devices, such as blood glucose monitors or other nondrug items,  
2 including but not limited to therapeutic devices and artificial appliances. This  
3 exclusion does not apply to needles or syringes or to test strips, lancets, or  
4 alcohol swabs.
- 5
- 6 • Charges for the administration or injection of any drug.
- 7
- 8 • Delivery or handling charges.
- 9
- 10 • Drugs dispensed during an inpatient admission by a hospital, skilled nursing  
11 facility, sanatorium, or other facility.
- 12
- 13 • Experimental drugs or drugs used for investigational purposes.
- 14
- 15 • Fertility agents, unless approved by the service representative.
- 16
- 17 • Immunizing agents or allergy serum.
- 18
- 19 • Infusion therapy drugs, except as described in the home health care benefit.
- 20
- 21 • Medications to treat sexual dysfunction, unless the patient is being treated for a  
22 diagnosed medical condition.
- 23 • Obesity drugs, unless approved by the service representative.
- 24
- 25 • Over-the-counter drugs, except the plan covers prescribed over-the-counter  
26 tobacco cessation drugs at the same level as other prescription drugs in the  
27 same category.
- 28
- 29 • Prescriptions that are not medically necessary to treat an illness, injury, or other  
30 covered condition, except as specifically provided by the program.
- 31
- 32 • Replacement of lost or misplaced prescriptions.
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## Traditional Medical Plan VISION CARE PROGRAM

The vision care program described here is available to active and retired employees and their dependents enrolled in the Traditional Medical Plan.

### Schedule of Benefits

<b>Traditional Medical Plan Vision Care Program Schedule of Benefits</b>	
The vision care program is administered by Davis Vision (the service representative).	
<b>Services and Supplies</b>	<b>Benefits</b>
Eye Examinations	Paid in full after \$15 copayment for Davis Vision network provider; up to \$50 for nonnetwork provider
Lenses (2):	
Single vision	\$50*
Bifocal	\$80*
Trifocal	\$95*
Lenticular	\$155*
Frames	\$90*
Contact Lenses (in place of allowances for conventional lenses and frames above)	\$120*
* Network providers offer discounts on retail frames, contact lenses, and contact lens examinations (evaluation and fitting); you pay the network provider only the excess over the amounts shown in the schedule above. Optional frames, lens types, and coatings are available from network providers with copayments. Nonnetwork provider charges for lenses, frames, and contact lenses are reimbursed up to the amounts shown in the schedule above; no discount applies.	

### Accessing the Davis Vision Network

Davis Vision features a national network of licensed optometrists and ophthalmologists. These providers have contracted with Davis Vision to provide vision care services and supplies. Although you may receive care from any covered licensed provider, the program offers certain advantages when using a network provider.

Network providers offer discounts on retail frames, contact lenses, and contact lens examinations (evaluation and fitting). The program pays the network provider the amounts shown in the Schedule of Benefits. You pay the excess over those amounts. Optional frames, lens types, and coatings are available from network providers with copayments. Network providers also submit claims to the service representative.

### Covered Vision Services and Supplies

The program covers the following vision care services and supplies (up to the amounts shown in the Schedule of Benefits):

- Complete eye examination of visual function, performed by a licensed ophthalmologist or optometrist.
- Contact lenses if elected in place of conventional lenses and frames.

- Frames required for prescription lenses.
- Prescription lenses.

### **Benefit Payment Levels**

See the Schedule of Benefits for payment levels.

Patients incur an additional charge for noncovered lens options such as lens coatings or hardening, tints, photochromic, polycarbonate, and scratch-resistant or shatter-resistant lenses.

Other vision care services are not covered under this program, but some may be covered as a medical condition under the Traditional Medical Plan.

### **Benefit Limitations**

Benefits are provided for 1 eye examination every benefit year and 2 sets of lenses and 2 frames every 2 years (network and nonnetwork combined). The program covers contact lenses when purchased in place of conventional lenses and frames. Any replacement of lost, stolen, or broken lenses and/or frames is subject to the 2-set limit except when replaced under warranty.

### **Vision Care Program Exclusions**

The following vision care expenses are not covered:

- Corrective vision treatment of an experimental nature. (Experimental nature means a procedure or lens not used universally or accepted by the vision care profession, as determined by the service representative.)
- Costs above the maximum covered expenses.
- Lens options (such as coatings or hardening, tints, photochromic, polycarbonate, or scratch-resistant or shatter-resistant lenses).
- Medical or surgical treatment of the eye. (However, Davis Vision network providers will offer discounts for refractive surgery.)
- Orthoptics or vision training or any associated supplemental testing; dyslexia.
- Plano lenses (less than a  $\pm 0.38$  diopter power), nonprescription glasses, 2 pair of glasses instead of bifocals, or extra charge for progressive lenses in excess of the bifocal allowance.
- Services or supplies not listed as covered expenses.
- Services or supplies received while not covered or lenses or frames furnished or ordered before coverage begins.
- Solutions and/or cleaning products for glasses or contact lenses.
- Special supplies, such as nonprescription sunglasses or subnormal vision aids.

**ADVANTAGE+ HEALTH PLAN SCHEDULE OF BENEFITS**

The Advantage+ health plan is available to active employees and their dependents. This section shows general plan features of the Advantage+ health plan, including benefit amounts and other plan information.

**Schedule of Benefits**

<b>Advantage+ Health Plan Schedule of Benefits</b> The Advantage+ health plan (including mental health and substance use) is administered by Blue Cross and Blue Shield of Illinois (the service representative).		
	<b>Network</b>	<b>Nonnetwork</b>
<b>Plan Features</b>	<b>Member Responsibility</b>	
Annual Deductible (applies unless otherwise noted)	The annual deductible will be the lowest permitted by federal regulations to maintain a HSA qualified plan. <ul style="list-style-type: none"> <li>● \$1,400 per individual</li> <li>● \$2,800 per family of 2 or more</li> </ul> Network and nonnetwork expenses apply to the deductible	
Coinurance (member pays)	10%	40%
Annual Out-of-Pocket Maximum (medical deductible included in medical annual out-of-pocket maximum)	The network annual out-of-pocket maximum will be 2 times the applicable deductible.	The nonnetwork annual out-of-pocket maximum will be 3 times the applicable deductible.
Copayments	You pay the network copayment listed below for routine eye examinations	
Lifetime Maximum Benefit	None	
Ambulance	10%	10% (must meet definition of emergency medical condition); otherwise 40%
Christian Science Practitioner and Sanatorium	10%; limits apply	Same as network provisions
Diagnostic X-Ray and Laboratory Services	10%	40%
Durable Medical Equipment	10%	40%
Emergency Room Treatment		
<ul style="list-style-type: none"> <li>● Emergency Medical Care</li> </ul>	10%	Same as network provisions
<ul style="list-style-type: none"> <li>● Nonemergent Care</li> </ul>	40%	40%
Hearing Aids	<ul style="list-style-type: none"> <li>● 10% up to \$800 per ear</li> <li>● Limited to 1 aid per ear every 3 benefit years</li> <li>● Hearing aid overhaul in place of new hearing aid after 3 benefit years</li> </ul>	Same as network provisions

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## Advantage+ Health Plan Schedule of Benefits

The Advantage+ health plan (including mental health and substance use) is administered by Blue Cross and Blue Shield of Illinois (the service representative).

	Network	Nonnetwork
Plan Features	Member Responsibility	
Hemodialysis	<ul style="list-style-type: none"> <li>● 10% for the first 30 months of Medicare entitlement due to end stage renal disease</li> <li>● Thereafter, Medicare is primary and this plan is secondary</li> </ul>	40%
Home Health Care	10%	40%
Hospice Care	<ul style="list-style-type: none"> <li>● 10%; 6-month maximum</li> <li>● Skilled care of 4 or more hours per day by a registered nurse, licensed practical nurse, or home health aide</li> <li>● Respite care visits of 2 or more hours per day up to 120 hours per 3 months</li> </ul>	40%
Skilled Nursing Facility	10%	40%
Hospital	10%	40%
Mental Health Treatment (including eating disorders)	Care is managed by and claims are administered by the behavioral health service representative	
<ul style="list-style-type: none"> <li>● Covered Inpatient, Residential, or Intensive Outpatient Services</li> </ul>	10%	40%
<ul style="list-style-type: none"> <li>● Covered Outpatient or Partial Hospital Services</li> </ul>	10%	40%
Physician (inpatient and outpatient)	10%	40%
Prescription Drugs	<ul style="list-style-type: none"> <li>● Pharmacy benefits are provided through Express Scripts</li> <li>● Quantities and dosages for certain prescription drugs may be limited by general plan provisions, clinically established guidelines, and/or FDA-approved labeling</li> </ul>	
<ul style="list-style-type: none"> <li>● Retail Pharmacy Program</li> </ul>	Supply limited to 30 days (for certain preventive medications, annual deductible does not apply)	
Generic drug	10%†	Not covered
Brand formulary drug	20%†	Not covered
Brand nonformulary drug	30%†	Not covered

## Advantage+ Health Plan Schedule of Benefits

The Advantage+ health plan (including mental health and substance use) is administered by Blue Cross and Blue Shield of Illinois (the service representative).

	Network	Nonnetwork
Plan Features	Member Responsibility	
<ul style="list-style-type: none"> <li>Mail-Order Pharmacy Program</li> </ul>	Supply limited to 90 days (for certain preventive medications, annual deductible does not apply)	
Generic drug	10%	Not covered
Brand formulary drug	20%	Not covered
Brand nonformulary drug	30%	Not covered
†The plan will cover emergency use at a nonparticipating pharmacy.		
Preventive Care		
<ul style="list-style-type: none"> <li>Routine Physical</li> <li>Routine Pap Tests, Mammograms, Prostate Screenings, and Colorectal Screenings (including colonoscopies)</li> <li>Routine Hearing Evaluation</li> </ul>	No charge (annual deductible does not apply) as recommended by the U.S. Preventive Care Task Force (USPSTF), the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention, or the Health Resources and Services Administration (currently the Bright Futures/American Academy of Pediatrics Recommendations for Preventive Pediatric Health Care guidelines) in accordance with the Patient Protection and Affordable Care Act	Not covered when received in a network service area
Wigs	10%; \$500 annual limit for wigs if undergoing chemotherapy or radiation therapy (network and nonnetwork combined)	40%; \$500 annual limit for wigs if undergoing chemotherapy or radiation therapy (network and nonnetwork combined)
Tobacco Cessation Treatment	10% (annual deductible does not apply)	Same as network provisions
Spinal and Extremity Manipulations (such as chiropractic care)	<ul style="list-style-type: none"> <li>10%</li> <li>Limited to 26 visits for spinal and extremity manipulations combined per year (network and nonnetwork combined)</li> </ul>	<ul style="list-style-type: none"> <li>40%</li> <li>Limited to 26 visits for spinal and extremity manipulations combined per year (network and nonnetwork combined)</li> </ul>
Substance Use Disorder Treatment	Care is managed by and claims are administered by the behavioral health service representative	

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## Advantage+ Health Plan Schedule of Benefits

The Advantage+ health plan (including mental health and substance use) is administered by Blue Cross and Blue Shield of Illinois (the service representative).

	Network	Nonnetwork
Plan Features	Member Responsibility	
<ul style="list-style-type: none"> <li>● Covered Inpatient, Partial Hospital, Residential, Intensive Outpatient, or Outpatient Services</li> </ul>	10%	40%
TMJ/MPDS Treatment	50%	Same as network provisions
Therapies		
<ul style="list-style-type: none"> <li>● Neurodevelopmental Therapy</li> </ul>	10%	40%
<ul style="list-style-type: none"> <li>● Occupational, Physical, and Speech Therapy</li> </ul>	10%	40%
<p>* The network payment level is based on the approved fees that the service representative negotiated for specific providers and services covered by the plan.</p> <p>** The nonnetwork payment level is based on the usual and customary charge (as defined by this plan). You are responsible for paying any charges in excess of the amount the service representative determines to be the usual and customary charge.</p> <p>*** For certain benefits, the plan will pay 90% of usual and customary charges if the service representative does not maintain a network of providers in a particular license category in a certain area.</p>		

**ADVANTAGE+ HEALTH PLAN VISION CARE PROGRAM**

The vision care provisions described for the Traditional Medical Plan also apply to the Advantage+ health plan.

**Schedule of Benefits**

Advantage+ Health Plan <b>Vision Care Program</b> <b>Schedule of Benefits</b>	
The vision care program is administered by Davis Vision (the service representative).	
Services and Supplies	Benefits
Eye Examinations	Paid in full after \$15 copayment for Davis Vision network provider; up to \$50 for nonnetwork provider
Lenses (2):	
Single vision	\$50*
Bifocal	\$80*
Trifocal	\$95*
Lenticular	\$155*
Frames	\$90*
Contact Lenses (in place of allowances for conventional lenses and frames above)	\$120*
* Network providers offer discounts on retail frames, contact lenses, and contact lens examinations (evaluation and fitting); you pay the network provider only the excess over the amounts shown in the schedule above. Optional frames, lens types, and coatings are available from network providers with copayments. Nonnetwork provider charges for lenses, frames, and contact lenses are reimbursed up to the amounts shown in the schedule above; no discount applies.	

**OTHER MEDICAL PLAN SCHEDULES OF BENEFITS—INFORMATION ONLY**

Kaiser Permanente HMO (WA)	
Plan Features	Member Responsibility
Annual Deductible	None
Coinsurance (member pays)	No charge after applicable copayments
Annual Out-of-Pocket Maximum	\$6,850 per individual; \$13,700 per family
Lifetime Maximum Benefit	None
Inpatient Hospital Copayment	\$250 copayment per admission
Emergency Room	\$75 copayment
Primary Care Office Visit and Urgent Care	\$20 copayment per visit
Specialist Office Visit	\$25 copayment per visit
Prescription Drugs	

## Kaiser Permanente HMO (WA)

<ul style="list-style-type: none"> <li>• Participating Pharmacy</li> </ul>	\$5 copayment generic formulary; \$25 copayment brand-name formulary; nonformulary not covered; 30-day supply
<ul style="list-style-type: none"> <li>• Mail Service Program</li> </ul>	\$10 copayment generic formulary; \$60 copayment brand-name formulary; nonformulary not covered; 90-day supply
Vision	
<ul style="list-style-type: none"> <li>• Eye Exams</li> </ul>	\$20 copayment for 1 exam every 12 months
<ul style="list-style-type: none"> <li>• Frames and Lenses</li> </ul>	\$140 allowance per pair of lenses/frames or contacts; 2 pairs every 24 consecutive months
Nonnetwork services and supplies are not covered except for emergency care.	

## Select Network EPO (WA)

Plan Features	Member Responsibility
Annual Deductible	None
Coinsurance (member pays)	No charge
Annual Out-of-Pocket Maximum	\$6,850 per individual; \$13,700 per family
Lifetime Maximum Benefit	None
Inpatient Hospital Copayment	\$250 copayment per admission
Emergency Room	\$75 copayment
Primary Care Office Visit and Urgent Care	\$20 copayment per visit
Specialist Office Visit	\$25 copayment per visit
Prescription Drugs	
<ul style="list-style-type: none"> <li>• Participating Pharmacy*</li> </ul>	\$5 copayment generic formulary; \$25 copayment brand-name formulary; \$40 copayment brand-name nonformulary; 30-day supply
<ul style="list-style-type: none"> <li>• Mail Service Program</li> </ul>	\$10 copayment generic formulary; \$40 copayment brand-name formulary; \$70 copayment brand-name nonformulary; 90-day supply
Vision	
<ul style="list-style-type: none"> <li>• Eye Exams</li> </ul>	\$20 copayment for 1 exam every benefit year
<ul style="list-style-type: none"> <li>• Frames and Lenses</li> </ul>	\$50 to \$155 limit for lenses; \$90 limit for frames; \$120 limit for contacts; 2 pairs every 2 benefit years

Referrals to network specialists are not required.

Nonnetwork services and supplies are not covered except for emergency care.

\* The plan will cover emergency use at a nonparticipating pharmacy.

## Kaiser Permanente HMO (CA)

Plan Features	Member Responsibility
Annual Deductible	None
Coinsurance (member pays)	No charge after applicable copayments
Annual Out-of-Pocket Maximum	\$1,500 per individual; \$3,000 per family
Lifetime Maximum Benefit	None
Inpatient Hospital Copayment	\$250 copayment per admission
Emergency Room	\$75 copayment
Primary Care Office Visit and Urgent Care	\$20 copayment per visit
Specialist Office Visit	\$25 copayment per visit
Prescription Drugs	
<ul style="list-style-type: none"> <li>• Participating Pharmacy</li> </ul>	\$5 copayment generic formulary; \$25 copayment brand-name formulary; \$25 copayment nonformulary; 100-day supply
<ul style="list-style-type: none"> <li>• Mail Service Program</li> </ul>	\$10 copayment generic formulary; \$50 copayment brand-name formulary; \$50 copayment nonformulary; 100-day supply
Vision	
<ul style="list-style-type: none"> <li>• Eye Exams</li> </ul>	\$20 copayment per visit
<ul style="list-style-type: none"> <li>• Frames and Lenses</li> </ul>	\$200 eyewear allowance for lenses/frames or contacts every 24 months
Nonnetwork services and supplies are not covered except for emergency care.	

## Selections Plus PPO (OR)

	Network	Nonnetwork
Plan Features	Member Responsibility	
Annual Deductible	None	\$400 per individual
Coinsurance (member pays)	No charge after applicable copayments	40%; deductible applies
Annual Out-of-Pocket Maximum	\$6,850 per individual; \$13,700 per family	\$2,000 per individual; \$4,000 per family
Lifetime Maximum Benefit	None	
Inpatient Hospital Copayment	\$250 copayment per admission	40%; deductible applies
Emergency Room		
<ul style="list-style-type: none"> <li>• Emergency Medical Condition</li> </ul>	\$75 copayment	\$75 copayment
<ul style="list-style-type: none"> <li>• Nonemergent Care</li> </ul>	40% after copayment	40% after copayment; deductible applies

## Selections Plus PPO (OR)

Primary Care Office Visit and Urgent Care	\$20 copayment per visit	40%; deductible applies
Specialist Office Visit	\$25 copayment per visit	40%; deductible applies
Prescription Drugs		
<ul style="list-style-type: none"> <li>Participating Pharmacy</li> </ul>	\$5 copayment generic formulary; \$25 copayment brand-name formulary; \$40 copayment brand-name nonformulary; 30-day supply	Not covered*
<ul style="list-style-type: none"> <li>Mail Service Program</li> </ul>	\$10 copayment generic formulary; \$40 copayment brand-name formulary; \$70 copayment brand-name nonformulary; 90-day supply	Not covered
Vision		
<ul style="list-style-type: none"> <li>Eye Exams</li> </ul>	\$20 copayment for 1 exam every benefit year	\$50 allowance
<ul style="list-style-type: none"> <li>Frames and Lenses</li> </ul>	\$50 to \$155 limit for lenses; \$90 limit for frames; \$120 limit for contacts; 2 pairs every 2 benefit years	
* The plan will cover emergency use at a nonparticipating pharmacy.		

## Kaiser Permanente HMO (OR)

Plan Features	Member Responsibility
Annual Deductible	None
Coinsurance (member pays)	No charge after applicable copayments
Annual Out-of-Pocket Maximum	\$600 per individual; \$1,200 per family
Lifetime Maximum Benefit	None
Inpatient Hospital Copayment	\$250 copayment per admission
Emergency Room	\$75 copayment
Primary Care Office Visit and Urgent Care	\$20 copayment per visit
Specialist Office Visit	\$25 copayment per visit
Prescription Drugs	
<ul style="list-style-type: none"> <li>Participating Pharmacy</li> </ul>	\$5 copayment generic formulary; \$25 copayment brand-name formulary; \$25 copayment nonformulary; 30-day supply

<b>Kaiser Permanente HMO (OR)</b>	
• Mail Service Program	\$10 copayment generic formulary; \$50 copayment brand-name formulary; \$50 copayment nonformulary; 90-day supply
Vision	
• Eye Exams	\$20 copayment per visit
• Frames and Lenses	\$250 eyewear allowance for lenses/frames or contacts every 24 months
Nonnetwork services and supplies are not covered except for emergency care.	

<b>SelectHealth HMO (UT)</b>	
<b>Plan Features</b>	<b>Member Responsibility</b>
Annual Deductible	None
Coinsurance (member pays)	No charge after applicable copayments
Annual Out-of-Pocket Maximum	\$6,850 per individual; \$13,700 per family
Lifetime Maximum Benefit	None
Inpatient Hospital Copayment	\$250 copayment per admission
Emergency Room	\$75 copayment
Primary Care Office Visit and Urgent Care	\$20 copayment per visit
Specialist Office Visit	\$25 copayment per visit
Prescription Drugs	
• Participating Pharmacy	\$5 copayment generic formulary; \$25 copayment brand-name formulary; \$40 copayment nonformulary; 30-day supply
• Mail Service Program	\$10 copayment generic formulary; \$40 copayment brand-name formulary; \$70 copayment nonformulary; 90-day supply
Vision	
• Eye Exams	\$25 copayment per visit
• Frames and Lenses	Discounts available through local vendors, depending on the prescription
Nonnetwork services and supplies are not covered except for emergency care.	

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## Preferred Partnership Option (where available)

Coverage is the same as the standard plan with the following enhancements:

Plan Features	Member Responsibility	
Traditional Medical Plan	Network	Nonnetwork
Primary Care Office Visit	No charge	40%
Retail Pharmacy Program	No charge for generic	10%; \$5 minimum, \$25 maximum
Mail Service Program	No charge for generic	Not covered
Select Network Plan	Network	
Primary Care Office Visit	No charge	
Participating Pharmacy	No charge for generic formulary	
Mail Service Program	No charge for generic formulary	
Advantage+ health plan	Network	Nonnetwork
Primary Care Office Visit	No charge after annual deductible is met	40%
Retail Pharmacy Program	No charge for generic after annual deductible is met	Not covered
Mail Service Program	No charge for generic after annual deductible is met	Not covered

### HEALTH SAVINGS ACCOUNT

If you enroll in the Advantage+ health plan medical plan, you will have the opportunity to set up a special tax-advantaged bank account, the Health Savings Account (HSA), for paying health care services.

The Company has contracted with a service representative to sponsor and administer your HSA. The service representative will answer questions, process transactions, maintain accounts, provide account information, and perform other account services.

The current service representative is HealthEquity.

The Company reserves the right to change the service representative at any time. If this happens, you will be notified in writing.

### Contributing to Your HSA

The amount Boeing will contribute to your account is based on the coverage level you elect. The contributions will be made on the same frequency as your paychecks.

You can make your own optional contributions to your HSA through payroll deductions. The amount you contribute can be changed at any time during the year, for any reason. Even if you decide not to contribute, you still will receive Boeing's contribution if you confirm your eligibility for the HSA.

The amounts Boeing contributes to your HSA are shown below.

<b>Boeing Annual HSA Contributions</b>		
	<b>Boeing contributes:</b>	
Your coverage level:	Advantage+ health plan standard option	Advantage+ health plan Preferred Partnership option
Employee only	50% of applicable deductible	80% of applicable deductible
Employee + spouse or child(ren)	50% of applicable deductible	80% of applicable deductible
Employee + spouse and child(ren)	50% of applicable deductible	80% of applicable deductible

HSA contributions shall be deposited into the employee's account maintained by the HSA custodian of Boeing's choice on or about January 15 of each year.

If you establish an HSA after the start of the year, the Boeing contribution will be prorated.

### **Withdrawals and Tax Implications**

Money withdrawn from an HSA for qualified health care expenses generally is tax free. Money withdrawn from an HSA for anything other than qualified health care expenses generally is taxable under Federal law as ordinary income and in some cases is subject to a 20% tax penalty.

### **Important HSA Information**

- HealthEquity sponsors and administers the HSA; neither Boeing nor the Employee Benefit Plans Committee will have any involvement in HSA administration or claims issues.
- Because the HSA is your personal account with HealthEquity, Boeing cannot sponsor or endorse it.

### **PREFERRED DENTAL PLAN SUMMARY**

The Preferred Dental Plan described here is available to active employees and their dependents. This plan helps you and your covered dependents pay for minor and major dental work, including routine examinations, crowns, and orthodontia.

You and your covered dependents may receive dental care from any licensed dentist or other licensed professional who is approved by the plan. However, your out-of-pocket costs generally will be lower if you use a network dentist. If you use a nonnetwork dentist, your out-of-pocket costs generally will be higher. If you live outside of the network service area, the plan generally will cover dental care at the network benefit level.

**Preferred Dental Plan Schedule of Benefits**

**Preferred Dental Plan Schedule of Benefits**  
 The Preferred Dental Plan is administered by Delta Dental of Washington (the service representative).

	<b>Network</b>	<b>Nonnetwork*</b>
<b>Plan Features</b>	<b>Member Responsibility</b>	
Annual Deductible	\$50 per individual; \$150 per family of 3 or more (network and nonnetwork combined)	\$75 per individual; \$225 per family of 3 or more (network and nonnetwork combined)
Coinsurance Percentage (member pays)		
• Class I (diagnostic and preventive services)	No charge (deductible does not apply)	20%
• Class II (restorative services using filling materials, oral surgery, periodontics, and endodontics)	20%	50%
• Class III (restorative services using crowns, inlays, and onlays; prosthodontics)	40%	50%
• Class IV (orthodontia services)	50% (network and nonnetwork combined; deductible does not apply)	
Annual Maximum Benefit (for Classes I, II, and III)**	\$2,500 per individual (network and nonnetwork combined)	
Lifetime Maximum Benefit (for Class IV)***	\$2,000 per individual (network and nonnetwork combined)	
<p>* If your provider is not a Delta Dental of Washington member, you pay any amounts that exceed the maximum allowable fees recognized by the plan.</p> <p>** When multiple treatment dates are required, the charges apply toward the annual maximum benefit for the benefit year in which the procedure is completed. (A prosthesis is considered complete on the date it is seated or delivered.)</p> <p>*** This lifetime maximum benefit for orthodontia applies to all periods during which the person is covered under any Company-sponsored dental plan.</p> <p>Note: The plan reimburses 100% of a network provider's recognized fees for prompt repair of damage to sound natural teeth as a direct result of accidental bodily injury.</p>		

You and your covered dependents are responsible for paying all charges for services and supplies that the plan does not cover.

**Annual Deductible**

Generally, the annual deductible is the amount you must pay out of your own pocket each year before the plan begins to pay benefits for Class I services received from a nonnetwork provider and for all (network and nonnetwork) Class II and III services. The following services and supplies are excluded from the annual deductible:

- Class I services and supplies received from network providers. 1
- Class IV services and supplies received from network or nonnetwork providers. 2

This means that the plan begins to pay its coinsurance percentage immediately for these dental services. The coinsurance percentage you pay for these services (if applicable) does not count toward your annual deductible. 3  
4  
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The plan has an individual annual deductible and a family annual deductible. If you and 3 or more of your dependents are covered under the plan, the family annual deductible limits the total annual deductible you are required to pay in any benefit year. 8  
9  
10  
11

The annual deductibles are shown in the Preferred Dental Plan Schedule of Benefits above. 12  
13

**Coinsurance Percentages** 14  
15

For many services and supplies, you and the plan each pay a percentage of the recognized fee. These percentages are called coinsurance percentages. A coinsurance percentage does not apply to: 16  
17  
18  
19

- Class I services and supplies received from network providers. 20  
21
- Any amounts you pay for services and supplies that the plan does not cover. 22  
23  
24
- Any amounts that exceed the maximum allowable fees recognized by the plan. 25

Coinsurance percentages are shown in the Preferred Dental Plan Schedule of Benefits above. 26  
27  
28  
29

**Benefit Maximums** 30  
31

For Classes I, II, and III, an annual maximum applies to each covered person. The annual maximum amount is shown in the Preferred Dental Plan Schedule of Benefits above. You are responsible for paying any charges over the annual maximum benefit. 32  
33  
34  
35

For Class IV, a lifetime maximum benefit applies to each covered person. The lifetime maximum benefit amount is shown in the Preferred Dental Plan Schedule of Benefits. 36  
37  
38

**Recognized Fees** 39  
40

This plan pays benefits based on the recognized fees. A recognized fee is the provider's charge for a covered service, up to the plan's maximum allowance. The amount of the recognized fee depends on whether you see a network or nonnetwork provider. Under this plan, recognized fees are determined as follows: 41  
42  
43  
44

- For a network dentist, recognized fees are network-allowed charges. 45  
46  
47
- For a member dentist who is a nonnetwork dentist, recognized fees are the fees that the dentist filed with the service representative for specific dental services and supplies. The service representative approves these fees and agrees to pay the plan's nonnetwork benefit based on them. 48  
49  
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52
- For a nonmember dentist, recognized fees are the lesser of either: 53  
54
  - The amount charged by the dentist, or 55  
56

- 1                   – the maximum allowable fee that the service representative approved for  
2                   member dentists in the state where services are performed.  
3

4 When alternative procedures are available, the plan covers the least expensive procedure.  
5 However, if your dentist submits satisfactory evidence to the service representative that a  
6 more expensive procedure is the only one professionally adequate for you, the plan will  
7 cover the more expensive procedure according to the appropriate benefit payment level.  
8

9 **Three Classes of Providers**

10  
11 The Preferred Dental Plan covers the charges of any licensed dental provider. The level of  
12 coverage is highest for network providers.

- 13  
14       • Network providers are members of Delta Dental of Washington and participate  
15       in the Delta Dental of Washington preferred provider network in your state.  
16  
17       • Nonnetwork member providers are members of Delta Dental of Washington,  
18       but do not participate in the preferred provider network.  
19  
20       • Nonmember providers are not members of Delta Dental of Washington.  
21

22 **Covered Dental Services and Supplies**

23  
24 The Preferred Dental Plan covers the following services and supplies in accordance with  
25 the benefit payment levels and maximums shown in the Preferred Dental Plan Schedule  
26 of Benefits above.  
27

28 ***Class I Covered Services and Supplies***

29  
30 The plan covers the following Class I services and supplies:

- 31       • Diagnostic examinations, including  
32                   – Biopsy/tissue examinations (also called histopathic examinations).  
33                   – Complete mouth or panoramic X-rays, once in each 5-year period.  
34                   – Emergency examinations.  
35                   – Examinations by a specialist (if the specialty is recognized by the  
36                   American Dental Association and if you are not receiving treatment  
37                   from the specialist), up to 3 times in a 6month period.  
38                   – Routine examinations, 2 in each 1-year period.  
39                   – Comprehensive oral examinations, once in each 3-year period, which  
40                   count as 1 of the 2 routine examinations in a year.  
41                   – Supplementary bitewing X-rays, once in each 1-year period.  
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- Preventive care, including:
  - Fissure sealants through age 14 for permanent molars with intact occlusal surfaces, no decay, and no prior restorations. The plan covers repair or replacement within a 3-year period as part of the original service. (Fissure sealants are acrylic, plastic, or composite materials that are applied topically to prevent decay by sealing developmental grooves and pits in the child’s teeth.)
  - Prophylaxis (cleaning), either regular or periodontal maintenance, twice in each 1-year period; 2 additional cleanings are allowed if periodontal disease is present.
  - Space maintainers when used to maintain space for eruption of permanent teeth.
  - Topical application of fluoride or preventive therapies (such as flouridated varnishes), twice in each 1-year period for dependent children through age 18.

***Class II Covered Services and Supplies***

The plan covers the following Class II services and supplies:

- Endodontics for the following procedures once in each 2-year period on the same tooth:
  - Pulpal and root canal treatment.
  - Pulpotomy and apicoectomy.

For more information on root canals performed in connection with an overdenture, see Class III Covered Services and Supplies below.

- General anesthesia or intravenous sedation, but not both, when administered by a licensed dentist in connection with certain covered:
  - Endodontic surgery.
  - Oral surgery.
  - Periodontic surgery.
- Oral surgery, including:
  - Preparation of the alveolar ridge and soft tissues of the mouth to insert dentures.
  - Surgical and nonsurgical extractions.
  - Treatment of pathological conditions and traumatic facial injuries.
- Periodontics—surgical and nonsurgical procedures to treat tissues that support the teeth, including:

- 1                   – Gingivectomy.
- 2
- 3                   – Limited adjustments to occlusion (8 or fewer teeth), such as smoothing
- 4                   teeth or reducing cusps.
- 5
- 6                   – Osseous surgery, once in each 3-year period per area.
- 7
- 8                   – Periodontal scaling or root planing, in each 2-year period.
- 9
- 10                  – Site-specific therapies for patients with pockets of at least 5 mm but not
- 11                  more than 10 mm.
- 12
- 13                  • Restorative services:
- 14
- 15                   – Amalgam, composite, or filled resin restorations (fillings).
- 16
- 17                   – Stainless steel crowns.
- 18
- 19                   – Composite or filled resin restorations placed in the front surface of
- 20                   bicuspid.
- 21

22 Restorations on the same surface or surfaces of a tooth are covered once in a 2-year  
23 period. Stainless steel crowns are covered once in a 5-year period (once in a 2-year  
24 period for primary teeth).

25  
26 If a composite or plastic restoration is placed on a posterior tooth, the plan covers up to  
27 the amount allowed for an amalgam restoration. If a tooth can be adequately restored  
28 with a filling material but a crown, inlay, or onlay is elected instead, the plan covers the  
29 restoration as if a filling material had been used.

30  
31 The plan does not cover restorations necessary to correct vertical dimension or to alter  
32 morphology (shape) or occlusion, overhang removal, or recontouring or polishing a  
33 restoration.

### 34 35 ***Class III Covered Services and Supplies***

36  
37 The plan covers the following Class III services and supplies:

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- 39                  • Prosthodontics, including:
- 40
- 41                   – A cast metal or acrylic partial denture. If a more elaborate or precision
- 42                   device is used, the plan covers up to the appropriate amount for
- 43                   covered partial dentures.
- 44
- 45                   – A fixed bridge.
- 46
- 47                   – A full denture, immediate denture, or overdenture. For any other
- 48                   procedure (such as personalized restorations or specialized
- 49                   treatment), the plan covers up to the appropriate amount for a full
- 50                   denture, immediate denture, or overdenture. Root canal treatment in
- 51                   conjunction with overdentures is limited to 2 teeth per arch.
- 52
- 53                   – Crown buildups when approved by the service representative, once in
- 54                   each 2-year period.
- 55
- 56

- Denture adjustments and relines provided more than 6 months after initial placement. Later relines and jump rebases (but not both) are covered once in each 1-year period. 1  
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- Replacement of an existing prosthetic device once in each 5-year period if it is unserviceable and cannot be made serviceable. (Services to correct the device, if serviceable, are covered.) 5  
6  
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- Stayplate dentures to replace anterior teeth during the healing period or, for children age 16 or younger, to replace missing anterior permanent teeth. 9  
10  
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12
- Restoration of a visibly decayed hard tooth surface (carious lesion) to a state of proper function by using crowns (including stainless steel crowns), inlays, or onlays (gold, porcelain, plastic, gold substitute casting, or a combination of these materials) once in each 5-year period. Your dentist must verify that the tooth cannot be restored with filling materials (amalgam, composite, plastic, or glass ionomer). 13  
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19
- Surgical placement or removal of implants or attachments to implants. Replacement is covered only after 5 years have elapsed and only if the implant or superstructure is not serviceable and cannot be made serviceable. 20  
21  
22  
23
- Use of a crown as an abutment to a partial denture only when the tooth is decayed to the extent a crown would be required whether or not a partial denture is required. 24  
25  
26  
27

#### ***Class IV Covered Services and Supplies***

Orthodontic services and supplies are in Class IV. The plan covers:

- Nightguards and occlusal splints. 30  
31  
32  
33
- Straightening of teeth, including correction or prevention of malocclusion. 34  
35

To facilitate benefit payments, your orthodontist or you should submit the treatment plan to the service representative before treatment starts. 36  
37  
38

#### **Pretreatment Estimate**

If your dental care will be extensive, you may ask your dentist to submit a request for a pretreatment estimate, called a “predetermination of benefits.” This predetermination will allow you to know in advance what procedures are covered, the amount the service representative will pay toward the treatment, and your financial responsibility. 39  
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#### **Preferred Dental Plan Exclusions**

The Preferred Dental Plan does not cover the following services or supplies. 46  
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- Analgesics such as nitrous oxide, intravenous sedation, euphoric drugs, injections, prescription drugs, or application of desensitizing agents. 49  
50  
51  
52
- Appliances or cleaning of appliances and certain restorations as follows: 53  
54
  - Appliances or restorations necessary to correct vertical dimension 55  
56



- 1 or to alter morphology (shape) or occlusion, overhang removal, or  
2 recontouring or polishing a restoration.
- 3
- 4 – Cleaning of prosthetic appliances.
- 5
- 6 – Duplicate dentures, temporary dentures, personalized dentures, or  
7 crowns and copings provided in connection with overdentures.
- 8
- 9 – Fixed prosthodontics for children under age 16.
- 10
- 11 – Habit-breaking appliances.
- 12
- 13 – Replacement of a space maintainer previously covered by the plan.
- 14
- 15 • Cosmetic procedures (including laminates and tooth bleaching, whether vital or  
16 nonvital), appliances, or restorations primarily for cosmetic purposes.
- 17
- 18 • Experimental services or supplies (or related complications)—the plan does  
19 not cover experimental services or supplies whose use and acceptance as a  
20 course of dental treatment for a specific condition still are under investigation  
21 or observation. To determine whether services are experimental, the service  
22 representative uses American Dental Association guidelines and considers  
23 whether the services:
- 24
- 25 – Are in general use in the local dental community.
- 26
- 27 – Are proven to be safe and effective.
- 28
- 29 – Are under continued scientific testing and research.
- 30
- 31 – Show a demonstrable benefit for a particular dental condition.
- 32
- 33 • Other dental exclusions as follows:
- 34
- 35 – Caries (decay) susceptibility tests.
- 36
- 37 – Charges for services or supplies that are received while the patient is  
38 not covered under the plan.
- 39
- 40 – Consultations or elective second opinions.
- 41
- 42 – Crowns used as abutments to a partial denture for purposes of  
43 recontouring, repositioning, or to provide additional retention, unless  
44 the tooth is decayed to the extent that a crown would be required to  
45 restore the tooth in the absence of a partial denture.
- 46 – Crowns used to repair microfractures of tooth structure when the tooth  
47 displays no symptoms.
- 48
- 49 – Diagnostic services or X-rays related to temporomandibular joints (jaw  
50 joints).
- 51
- 52 – Fees for broken appointments.
- 53
- 54 – Fees for completing insurance forms.
- 55
- 56

– Full mouth (major) occlusal adjustment.	1
	2
– Gingival curettage.	3
	4
– Home fluoride kits.	5
	6
– Hospitalization charges or any additional dental fees associated with hospitalization.	7
	8
	9
– Iliac crest or rib grafts to alveolar ridges.	10
	11
– Injuries or conditions covered under workers’ compensation or employers’ liability laws.	12
	13
	14
– Oral hygiene or dietary instruction.	15
	16
– Orthognathic surgery.	17
	18
– Patient management problems.	19
	20
– Periodontal splinting; any crown or bridgework provided with periodontal therapy or periodontal appliances.	21
	22
	23
– Plaque control programs.	24
	25
– Porcelain or resin inlay bridges.	26
	27
– Proposed treatment plan review or case presentation by the attending dentist.	28
	29
	30
– Restorations on the same surface or surfaces of a tooth within 2 years of the original service.	31
	32
	33
– Ridge extension to insert dentures (vestibuloplasty).	34
	35
– Services or supplies covered by any Federal, state, or provincial government agency or provided without cost by any municipality, county, or other political subdivision or community agency. However, if government agency payments are insufficient for covered services or supplies or if benefits are provided by a government agency as an employer to its employees, dental coverage will not be excluded and will be subject to coordination of benefits.	36
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– Services or supplies to the extent that benefits are payable for them under any motor vehicle medical, motor vehicle no-fault, uninsured motorist, underinsured motorist, personal injury protection (PIP), commercial liability, homeowner’s policy, or other similar type of coverage.	44
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– Services specifically excluded in this plan description and all other items that are not specifically included in this plan as covered dental benefits.	50
	51
	52
	53
– Study or diagnostic models.	54
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- 1                   – Tooth transplants or materials placed in extraction to generate osseous  
2                   filling.
- 3
- 4                   – Treatment of temporomandibular (jaw) joints.
- 5

## 6 **How Dental Coverage May Be Extended**

7  
8 The plan generally does not cover services or supplies that you receive while you are  
9 not covered under the plan. However, the plan will cover certain services and supplies  
10 for an additional period after the date coverage would otherwise end. These services and  
11 supplies and the conditions for extending care are described below if the dentist started  
12 the course of treatment *before* your coverage ends:

- 13
- 14       • A crown that is required to restore a tooth (independent of the crown's use in  
15       connection with a partial denture) if the tooth is prepared for the crown while  
16       you are covered and the crown is installed during the 31 days after your coverage  
17       ends.
- 18
- 19       • A prosthetic device (including abutment crowns of a partial denture) if the  
20       impressions are taken while you are covered and the device is installed or  
21       delivered within 31 days after your coverage ends.
- 22
- 23       • Orthodontia care provided within 3 calendar months after your coverage ends.
- 24
- 25       • Restorative, endodontic, periodontic, and oral surgical procedures completed  
26       within 31 days after your coverage ends.
- 27

## 28 **SCHEDULED DENTAL PLAN SUMMARY**

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30 The Scheduled Dental Plan described here is available to active employees and their  
31 dependents. This plan helps you and your covered dependents pay for minor and major  
32 dental work, including routine examinations, crowns, and orthodontia.

33  
34 The Scheduled Dental Plan reimburses you and your covered dependents for necessary  
35 dental care received from any licensed dentist based on a schedule of maximum covered  
36 charges. Your out-of-pocket cost will vary depending on the type of treatment you receive  
37 and, in many cases, on your dentist's charges. This plan is available in all areas of the  
38 country.

## 39 **Annual Deductible**

40  
41  
42 Generally, the annual deductible is the amount you must pay out of your own pocket  
43 each benefit year before the plan begins to pay benefits. The deductible applies to most  
44 covered services and supplies. The following services and supplies are excluded from the  
45 annual deductible:

- 46
- 47       • Examinations, including specialist examinations and emergency oral exams.
- 48
- 49       • Fissure sealants.
- 50
- 51       • Fluoride treatments.
- 52
- 53       • Prophylaxis (teeth cleaning), including periodontal cleanings.
- 54
- 55       • X-rays.
- 56

This means that the plan begins to pay immediately for these basic dental services. Certain limits apply; see the Scheduled Dental Plan Schedule of Covered Services in this document. This plan has an individual annual deductible and a family annual deductible. If you and 3 or more of your dependents are covered under the plan, the family annual deductible limits the total annual deductible you will be required to pay in any benefit year.

The annual deductibles are shown in the following Scheduled Dental Plan Schedule of Benefits.

**Maximum Covered Charges**

The plan pays the maximum covered charges listed in the Scheduled Dental Plan Schedule of Covered Services in this document for necessary dental services and supplies. If 2 or more covered services are received at the same time, the plan pays up to the scheduled benefit for each service, unless the schedule has a maximum for a particular combination of services.

In addition, certain other dental treatments may be covered even though they are not listed in the schedule; details are available from the service representative. (See Predetermination of Benefits in this document.)

**Scheduled Dental Plan Schedule of Benefits**

<p><b>Scheduled Dental Plan Schedule of Benefits</b></p> <p>The Scheduled Dental Plan is administered by Delta Dental of Washington (the service representative).</p>	
Annual Deductible (based on the January 1 – December 31 benefit year)	\$25 per individual; \$75 per family of 3 or more, but not more than \$25 per individual
<ul style="list-style-type: none"> <li>• Diagnostic and preventive care</li> </ul>	<ul style="list-style-type: none"> <li>• Plan pays up to the amounts listed in Scheduled Dental Plan Schedule of Covered Services</li> <li>• Annual deductible does not apply to examinations, Xrays, cleaning, fluoride treatment, and fissure sealants</li> </ul>
<ul style="list-style-type: none"> <li>• Minor and major restorations</li> <li>• Endodontics and periodontics</li> <li>• Prosthodontics</li> <li>• Oral surgery</li> <li>• Orthodontia</li> </ul>	<ul style="list-style-type: none"> <li>• Plan pays up to the amounts listed in Scheduled Dental Plan Schedule of Covered Services</li> <li>• Annual deductible applies</li> </ul>
Annual Maximum Benefit (generally for all services and supplies, except orthodontia)*	\$2,000 per individual
Lifetime Maximum Benefit (for orthodontia)**	\$2,000 per individual
<p>* When multiple treatment dates are required, the charges apply toward the annual maximum benefit for the benefit year in which the procedure is completed. (A prosthesis is considered complete on the date it is seated or delivered.)</p> <p>** This lifetime maximum benefit for orthodontia applies to all periods during which the person is covered under any Company-sponsored dental plan.</p>	

**Scheduled Dental Plan Schedule of Covered Services**

**Scheduled Dental Plan Schedule of Covered Services**

The Scheduled Dental Plan is administered by Delta Dental of Washington (the service representative).

American Dental Association Code	Service or Supply	Maximum Allowable Fee (\$)
	Diagnostic	
	Examinations (limited to 1 per course of treatment)	
D0150	Comprehensive oral evaluation	48
D0120	Periodic oral exam (limited to twice in a 1-year period)	26
D0140	Limited oral evaluation	37
	Radiographs (X-rays)	
	Complete Mouth X-rays (limited to once in a 5-year period)	
D0210	Intraoral (including bitewings)	69
D0330	Panoramic (limited to once in a 36-month period)	53
	Intraoral Periapical	
D0220	Single, first film	14
D0230	Each additional film	11
	Bitewings (limited to once in a 12-month period)	
D0270	Single film	13
D0272	2 films	21
D0274	4 films	32
	Preventive	
	Prophylaxis (limited to once in a 4-month period)	
D1110	Adult	58
D1120	Child	37
	Fluoride Treatment (limited to once in a 6-month period)	
D1206	Topical application of fluoride varnish	21
D1208	Topical application of fluoride excluding varnish	21
	Fissure Sealants (to age 16)	
D1351	Topical application of fissure sealants (per tooth)	26

## Scheduled Dental Plan Schedule of Covered Services

The Scheduled Dental Plan is administered by Delta Dental of Washington (the service representative).

American Dental Association Code	Service or Supply	Maximum Allowable Fee (\$)
	Minor Restorations	
	Amalgam Restorations	
D2140	Primary or permanent—1 surface	58
D2150	Primary or permanent—2 surfaces	74
D2160	Primary or permanent—3 surfaces	95
D2161	Permanent—4 or more surfaces	116
D2951	Pin Retention—per tooth, in addition to restoration	16
	Other Minor Restorations	
D2330	Resin—1 surface anterior	69
D2331	Resin—2 surfaces anterior	90
D2332	Resin—3 surfaces anterior	116
D2335	Resin—4 or more surfaces anterior	127
D2391	Resin-based composite—1 surface posterior	74
D2392	Resin-based composite—2 surfaces posterior	100
D2393	Resin-based composite—3 surfaces posterior	127
	Major Restorations	
	Inlays and Onlays	
D2510	Metallic inlay—1 surface	217
D2520	Metallic inlay—2 surfaces	275
D2530	Metallic inlay—3 surfaces	317
D2542	Metallic onlay—2 surfaces	379
D2543	Metallic onlay—3 surfaces	412
D2544	Metallic onlay—4 or more surfaces	412
D2910	Recement or rebond of inlay, onlay, veneer, or partial coverage restoration	32
	Crowns	
D2720	Resin with high noble metal	380
D2721	Resin with predominantly metal	380
D2722	Resin with noble metal	380
D2740	Porcelain/ceramic substrate	380
D2750	Porcelain fused to high noble metal	380

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## Scheduled Dental Plan Schedule of Covered Services

The Scheduled Dental Plan is administered by Delta Dental of Washington (the service representative).

American Dental Association Code	Service or Supply	Maximum Allowable Fee (\$)
D2751	Porcelain to predominantly base metal	380
D2752	Porcelain fused to noble metal	380
D2790	Full cast high noble metal	380
D2791	Full cast predominantly base metal	380
D2792	Full cast noble metal	380
D2782	Crown $\frac{3}{4}$ cast noble metal	380
D2930/D2931	Stainless steel—primary/permanent tooth	85
D2799	Provisional crown	63
D2950	Crown buildup, including any pins	116
D2920	Recement or rebond crown	42
	Endodontics	
D3220	Therapeutic pulpotomy (excluding final restoration)	69
	Root Canal Therapy (includes treatment plan, clinical procedures, and follow-up care; excludes final restoration)	
D3310	Anterior	312
D3320	Bicuspid	412
D3330	Molar	512
D3410	Apicoectomy/periradicular-anterior (performed as a separate surgical procedure)	412
	Periodontics	
	Nonsurgical Services	
D0180	Comprehensive periodontal evaluation	74
D4910	Periodontal maintenance (limited to once in a 4-month period)	79
D9951	Occlusal adjustment (limited)	106

## Scheduled Dental Plan Schedule of Covered Services

The Scheduled Dental Plan is administered by Delta Dental of Washington (the service representative).

American Dental Association Code	Service or Supply	Maximum Allowable Fee (\$)
D9952	Occlusal adjustment (complete)	306
D4341	Periodontal scaling and/or root planing (4+ teeth per quadrant)	95
	Surgical Services	
D4210	Gingivectomy (4+ teeth per quadrant)	291
D4260	Osseous surgery (including elevation of a full thickness flap and closure)—4 or more contiguous teeth or tooth bounded spaces per quadrant	644
D4277	Free soft tissue graft—first tooth	417
D7340	Vestibuloplasty—ridge extension (secondary epithelialization)	349
	Prosthodontics	
	Dentures (includes 6 months post-delivery care)	
D5110/D5120	Complete upper or lower	481
D5130/D5140	Immediate upper or lower	528
D5211/D5212	Partial upper or lower resin base (including any conventional clasps and rests)	317
D5213/D5214	Partial upper or lower, predominantly cast frame with resin base (including any conventional clasps and rests)	581
	Related Denture Services	
D5410–D5422	Denture adjustment (complete or partial)	34
D5520	Replace missing or broken tooth complete denture	48
D5710–D5721	Rebase denture (complete or partial)	148
D5730–D5741	Reline denture—(complete or partial) chairside	79
D5750–D5761	Reline denture—(complete or partial) lab	148
	Bridgework	
D6240–D6242	Pontic—porcelain fused to high noble metal, predominantly base metal, and noble metal	370
D6250–D6252	Pontic—resin with high noble metal, predominantly base metal, and noble metal	370
D6930	Recement or rebond fixed partial denture	63
	Oral Surgery	

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## Scheduled Dental Plan Schedule of Covered Services

The Scheduled Dental Plan is administered by Delta Dental of Washington (the service representative).

American Dental Association Code	Service or Supply	Maximum Allowable Fee (\$)
	Extractions (includes local anesthesia and routine postoperative care)	
D7140	Extraction, erupted tooth or exposed root	63
D7210	Surgical removal of erupted tooth	127
D7220	Impacted tooth—soft tissue	143
D7230	Impacted tooth—partially bony	185
D7240	Impacted tooth—completely bony	227
D7250	Surgical removal of residual tooth roots	132
	Related Oral Surgical Procedures	
D7310	Alveoplasty—in conjunction with extractions, 4 or more teeth	106
D7510	Incision and drainage of abscess—intraoral soft tissue	85
D7960	Frenectomy (separate procedure)	190
	General Anesthesia (not covered when provided at a hospital)	
D9223	Deep sedation/general anesthesia—each 15-minute increment	93
	Orthodontia (coverage for employees and dependents)	
	50% of covered charges to a lifetime maximum benefit of \$2,000 per individual	

In addition to the limits shown in the schedule above, the plan also limits the following services and supplies:

- Replacement of dentures and bridgework is covered once in a 5-year period if it is unserviceable and cannot be made serviceable.
- Replacement of temporary denture or bridgework with permanent denture or bridgework is covered only if necessary and occurs within 12 months from the date the temporary denture or bridgework is installed.

Fissure sealants are covered to age 16 only for permanent molars with chewing surfaces intact, no caries (decay), and no restorations. Repair or replacement of a fissure sealant within 3 years is considered part of the original service.

### Predetermination of Benefits

Before you receive expensive dental treatment or services and supplies not listed in the

Scheduled Dental Plan Schedule of Covered Services, you or your dentist should request a predetermination of benefits under the plan. This is a review by the service representative of your dentist's description of planned treatment and expected charges, including charges for related services.

The service representative will tell you in advance which procedures the plan will cover, the amount that the plan will pay toward treatment, and your out-of-pocket costs. The amount covered will be consistent with the allowances listed in the Scheduled Dental Plan Schedule of Covered Services.

### **Scheduled Dental Plan Exclusions**

The Scheduled Dental Plan does not cover the following services or supplies:

- Anesthetics, administration of anesthetics, or anesthetic supplies or drugs, except general anesthesia when medically necessary.
- Charges that would not have been made if no dental plan existed, or charges that you or your dependents are not required to pay.
- Costs that exceed the allowances listed in the Scheduled Dental Plan Schedule of Covered Services or the usual and customary fee as determined by the service representative.
- Experimental services or supplies (or related complications) whose use and acceptance as a course of dental treatment for a specific condition still are under investigation or observation. To determine whether services are experimental, the service representative uses American Dental Association guidelines and considers whether the services:
  - Are in general use in the local dental community.
  - Are proven to be safe and effective.
  - Are under continued scientific testing and research.
  - Show a demonstrable benefit for a particular dental condition.
- Fees for completing claim forms.
- Fees for missed appointments.
- Fees that are not reasonable for the services performed.
- Injuries or conditions covered under a workers' compensation law.
- Myofascial pain dysfunction syndrome.
- Orthodontia treatment, including correction or prevention of malocclusion, except as specifically provided for under the plan.
- Periodontal splinting and bridgework.
- Procedures (including personalization or characterization of dentures) primarily or partly for cosmetic purposes.

- Replacement of a lost or stolen prosthetic appliance or an appliance damaged by abuse, misuse, or neglect.
- Services or supplies received because of past or present service in the armed forces of a government.
- Services or supplies received while the patient is not covered under the plan.
- Services or supplies that are paid or provided under government law. (However, if the government, as an employer, provides benefits to its employees, dental coverage will not be excluded and will be subject to coordination of benefits.)
- Temporomandibular joint treatment.
- Treatment by a professional other than a dentist or licensed dental hygienist under the supervision and direction of the dentist.
- Treatment of an injury or illness that is not necessary or is not recommended or approved by the attending dentist.

**How Dental Coverage May Be Extended**

The plan generally does not cover services and supplies that you receive while you are not covered under the plan. However, the plan will cover certain prosthetic devices and crowns described below:

- Prosthetic device (including abutment crowns of a partial denture) if the impressions are taken while you are covered and the device is delivered and installed within 2 months after your coverage ends.
- Crown that is required for restoring a tooth (independent of the crown's use in connection with a partial denture) if the tooth is prepared for the crown while you are covered and the crown is placed within 2 months after your coverage ends.

**DELTACARE DENTAL PLAN DESCRIPTION OF BENEFITS**

<b>The DeltaCare Dental Plan is administered by Delta Dental of Washington (the service representative).</b>	
<b>Participating Providers</b>	
• Necessary Care	You select a participating provider to supply necessary dental care for you and your covered dependents
• Orthodontic Care	Orthodontic care may be obtained from any licensed dentist
<b>Payment Levels</b>	
• Necessary Care	Covered dental services are provided at no cost to you and your covered dependents
• Optional Treatment	You are responsible for charges above the cost of standard covered services
• Orthodontic Care	The plan pays 50% of covered charges for orthodontic services

**The DeltaCare Dental Plan is administered by  
Delta Dental of Washington  
(the service representative).**

<ul style="list-style-type: none"><li>Emergency Care</li></ul>	The plan pays up to \$50 of reasonable charges for out-of-area emergency services and supplies
<b>Lifetime Maximum Benefits</b>	
<ul style="list-style-type: none"><li>Necessary Care</li></ul>	No lifetime maximum applies
<ul style="list-style-type: none"><li>Orthodontic Care</li></ul>	\$2,000 per individual

**COORDINATION OF BENEFITS**

If you or your dependent has medical, dental, or other health coverage in addition to being covered under these medical and dental plans, the following rules govern coordination of benefits with the other coverage. Other coverage includes, whether insured or uninsured, another employer’s group benefit plan, other arrangement of individuals in a group, Medicare (to the extent allowed by law), individual insurance or health coverage, and insurance that pays without consideration of fault.

The service representative has the right to obtain and release any information or recover any payment it considers necessary to administer these provisions.

**Order of Payment**

The primary plan pays its benefits first and pays its benefits without regard to benefits that may be payable under other plans. When another plan is the primary plan for health care coverage, the secondary plan pays the difference between the benefits paid by the primary plan and what would have been paid had the secondary plan been primary.

- A plan is considered primary if:
  - It has no order of benefit determination rules.
  - It has benefit determination rules that differ from coordination of benefit rules under state regulations or, if not insured, that differ from these rules.
  - All plans that cover an individual use the same coordination of benefit rules, and under those rules, the plan is primary.
- If the aforementioned rules do not determine which group plan is considered primary, this plan applies the following coordination of benefit rules:
  - A plan that covers a person as an employee, retiree, member, or subscriber pays before a plan that covers the person as a dependent.
  - A plan that covers a person as an active employee or dependent of an active employee is primary. The plan that covers a person as a retired, laid-off, or other inactive employee or as a dependent of a retired, laid-off, or other inactive employee is secondary.
  - If a dependent child is covered under both parents’ group plans, the child’s primary coverage is provided through the plan of the parent whose birthday comes first in the calendar year, with secondary

1 coverage provided through the plan of the parent whose birthday  
2 comes later in the calendar year.

- 3
- 4 – If a dependent child's parents are divorced or separated and a court  
5 decree establishes financial responsibility for the health care coverage  
6 of the child, the plan of the parent with such financial responsibility is  
7 the primary plan of coverage. If the divorce decree is silent on the issue  
8 of coverage, the following guidelines are used:
- 9
- 10 ○ The plan of the parent with custody pays benefits first.
  - 11
  - 12 ○ The plan of the spouse of the parent with custody pays second.
  - 13
  - 14 ○ The plan of the parent without custody pays third.
  - 15
  - 16 ○ The plan of the spouse of the parent without custody pays  
17 fourth.
  - 18
  - 19 ○ If none of the aforementioned rules establishes which group  
20 plan should pay first, then the plan that has covered the  
21 person for the longest period is considered the primary plan of  
22 coverage.
  - 23
- 24 – Continuation coverage under the Consolidated Omnibus Budget  
25 Reconciliation Act of 1985 (COBRA), as amended, always is secondary  
26 to other coverage, except as required by law.
- 27
- 28 – If an employee or dependent is confined to a hospital when first  
29 becoming covered under this plan, this plan is secondary to any plan  
30 already covering the employee or dependent for the eligible expenses  
31 related to that hospital admission. If the employee or dependent does not  
32 have other coverage for hospital and related expenses, this plan is primary.  
33

34 Benefits under a Company-sponsored medical or dental plan are not coordinated with  
35 benefits paid under any other group plan offered by the Company. You can receive  
36 benefits from only 1 Company-sponsored medical or dental plan. However, when  
37 dental services performed by a licensed dentist also are covered under the medical  
38 plan, the dental plan pays its benefits first and the medical plan is secondary.  
39

40 Federal rules govern coordination of benefits with Medicare. In most cases, Medicare  
41 is secondary to a plan that covers a person as an active employee or dependent of an  
42 active employee. Medicare is primary in most other circumstances.  
43

#### 44 **Medical Plans**

45

46 The primary plan pays benefits without regard to any other plan. When the Company-  
47 sponsored plan is secondary, it adjusts benefits so that the total payable under both  
48 plans for expenses covered under the Company-sponsored plan is not more than would  
49 be payable under the Company-sponsored plan. Neither plan pays more than it would  
50 without coordination of benefits.  
51

52 Plan means any plan providing medical, dental, vision care, hearing aid benefits, or  
53 treatment under individual insurance, group insurance, or any other coverage for  
54 individuals in a group, whether on an insured or uninsured basis.  
55  
56

Treatment of end-stage renal disease is covered by the Company-sponsored plan for the first 30 months following Medicare entitlement due to end-stage renal disease, and Medicare provides secondary coverage. After this 30-month period, Medicare provides primary coverage and the Company-sponsored plan provides secondary coverage.

Coordination of benefit provisions of Company-sponsored coordinated care plans, HMO, and EPO plans vary by plan.

**Dental Plans**

Benefits payable under the Company-sponsored dental plans take into account any coverage (including orthodontic coverage) you or your eligible dependents have under other plans.

Plan means any plan providing medical, dental, vision care, hearing aid benefits, or treatment under group insurance or any other coverage for individuals in a group, whether on an insured or uninsured basis. However, plan excludes any medical plan sponsored by the Company. This means the dental plans pay first when dental expenses performed by a dentist also are covered by any medical plan sponsored by the Company.

The dental plans pay regular benefits in full or a reduced amount which, when added to benefits payable by another plan, equals 100% of allowable expenses.

**WHEN AN INJURY OR ILLNESS IS CAUSED BY THE NEGLIGENCE OF ANOTHER—Health Care**

In some situations, you or a covered dependent may be eligible to receive, as a result of an accident or illness, health care benefits from an automobile insurance policy, homeowner’s insurance policy or other type of insurance policy, or from a responsible third party. In these cases, the plan will pay benefits if the covered person agrees to cooperate with the service representative in administering the plan’s subrogation rights.

If a person covered by the plan is injured by another party who is legally liable for the medical or dental bills or disability income, he or she may request the plan to pay its regular benefit on his or her behalf. In exchange the covered person agrees to:

- Complete a claim and submit all bills related to the injury or illness to the responsible party or insurer.
- Complete and submit all of the necessary information requested by the service representative.
- Reimburse the plan if he or she recovers payment from the responsible party or any other source.
- Cooperate with the service representative’s efforts to recover from the third party any amounts the plan pays in benefits related to the injury or illness, including any lawsuit brought against the responsible party or insurer.

This provision applies whenever you or a covered dependent is entitled to or receives benefits under the plan and is also entitled to or receives compensation or any other funds from another party in connection with that same disability or medical condition, whether by insurance, litigation, settlement, or otherwise. The plan is entitled to such funds to the extent of plan benefits paid to or on behalf of the individual, whether or not the individual has been “made whole,” and without regard to any common fund doctrine.

1 The plan may recover such funds by constructive trust, equitable lien, right of subrogation,  
2 reimbursement, or any other equitable or legal remedy.

3  
4 If an individual fails, refuses, or neglects to reimburse the plan or otherwise comply with the  
5 requirements of this provision, or if payments are made under the plan based on fraudulent  
6 information or otherwise in excess of the amount necessary to satisfy the provisions of  
7 the plan, then, in addition to all other remedies and rights of recovery that the plan may  
8 have, the plan has the right to terminate or suspend benefit payments and/or recover the  
9 reimbursement due to the plan by withholding, offsetting, and recovering such amount out  
10 of any future plan benefits or amounts otherwise due from the plan to or with respect to  
11 such individual. The plan also has the right in any proceeding at law or equity to assert a  
12 constructive trust, equitable lien, or any other equitable or legal remedy or recovery, against  
13 any and all persons who have assets that the plan can claim rights to. The plan has the right  
14 of first recovery from any judgment, settlement or other payment, regardless of whether the  
15 individual has been "made whole," and without regard to any common fund doctrine.

## 16 **TERMINATION OF COVERAGE**

### 17 **Life Insurance Coverage**

18  
19 Life insurance coverage stops on the date your active employment terminates.

20  
21 You may convert your life insurance coverage to an individual life insurance policy. This  
22 individual policy will be issued, without medical examination, at the insurer's regular rates.  
23 The amount of life insurance converted cannot exceed the amount in force on the date  
24 insurance terminates.

25  
26 To apply for conversion, you must complete the appropriate application and make your  
27 first premium payment to the service representative within 31 days after the date coverage  
28 ends or the date the Boeing Service Center provides written notice of your conversion rights  
29 (provided the notice is sent within 90 days of when coverage ends), whichever is later.

30  
31 If, after an individual conversion policy is issued, benefits under the Life Insurance Plan are  
32 continued due to total disability, the individual policy must be surrendered without claim  
33 other than the return of paid premiums.

34  
35 If you die during your conversion period, a life insurance benefit is payable equal to the  
36 amount you could have converted to an individual policy.

### 37 **AD&D Coverage**

38  
39 AD&D coverage stops on the date your active employment terminates.

### 40 **Short-Term Disability Coverage**

41  
42 Short-term disability coverage stops on the date your active employment terminates.

### 43 **Long-Term Disability Coverage**

44  
45 Long-term disability coverage stops on the date your active employment terminates.

### 46 **Medical Coverage**

47  
48 Medical coverage for you and your dependents stops at the end of the calendar month  
49 your active employment terminates or the end of the last month required contributions

are paid, whichever occurs first. If earlier, your dependent's coverage stops at the end of the month in which he or she no longer qualifies as a dependent.

However, coverage may be continued under certain circumstances as specified below. Any required contributions must be paid during these periods for coverage to continue.

If you are terminating employment, the service representative will make available an individual program of medical benefits similar to those then being issued for group conversion. The benefits provided under the individual plan will not exactly duplicate the benefits provided under this group medical plan. This conversion privilege is also available to your covered dependents who cease to qualify under the group policy and to surviving covered dependents if you die. No evidence of insurability is required.

### **Dental Coverage**

Dental coverage for you and your dependents stops at the end of the calendar month your active employment terminates. If earlier, your dependent's coverage stops at the end of the calendar month in which he or she no longer qualifies as a dependent.

However, coverage may be continued under certain circumstances as specified below. Any required contributions must be paid during these periods for coverage to continue.

### **Retirement**

If you are eligible for, and enroll in, a retiree medical plan, medical coverage for you and your dependents ends at the end of the month following the month in which your active employment ends.

### **Change in Eligible Class of Employment**

When you remain employed by the Company but no longer in the class eligible for coverage under this Package, coverage for you and your dependents stops at the end of the month in which your transfer is effective. If you become totally disabled before coverage ends under the Package, the life insurance, AD&D, short-term disability, and basic long-term disability benefits of the Package, which would have continued if you had stayed in the eligible class, will continue according to the terms governing benefits during leaves of absence instead of all other Company life insurance, AD&D, and disability benefits.

### **Continuation of Medical and Dental Coverage (COBRA)**

If medical and dental coverage for you and your dependents otherwise would terminate due to one of the following reasons, these benefits may continue for specified periods under Public Law 99272, Title X, as amended, if the individual makes a timely request to the Company and pays the required contribution.

- Reduction in hours or termination of employment for any reason.
- Your death.
- Your divorce.
- A dependent child ceasing to be a dependent as defined under this Package. (A child eligible to be continued under the Package's incapacitated child provision will still be considered to have dependent status.)
- Your dependent's loss of eligibility because you became eligible for Medicare.



1 If you are laid off, the Company will contribute to the cost of COBRA medical and dental  
2 coverage for you and your dependents. Company contributions will continue at the same  
3 rate as for active employees until you are covered by any other group medical or dental  
4 plan either as an active employee or as a dependent, but in no event beyond the expiration  
5 of the COBRA period or 3 months after the date of layoff, whichever occurs first.  
6

7 If you die (other than from an industrial accident), the Company will contribute to the  
8 cost of your dependents' COBRA medical and dental coverage for up to 12 months. Your  
9 dependents' contributions for the first 12 months of COBRA medical and dental coverage  
10 will be the same as for dependents of active employees.  
11

12 If you die from an industrial accident, the Company will contribute to the cost of your  
13 dependents' COBRA medical and dental coverage for up to 36 months. Your dependents'  
14 contributions for COBRA medical and dental coverage will be the same as for dependents  
15 of active employees.  
16

## 17 **LEAVES OF ABSENCE**

18  
19 When you are absent with leave, coverage may continue as follows; any required  
20 contributions must be paid during these periods for coverage to continue.

### 21 **Approved Medical Leaves of Absence**

22  
23 If you are eligible for coverage and begin an approved medical leave of absence due to a  
24 total disability, you are eligible for the Package the same as an active employee until the  
25 last day of the calendar month in which your leave began. (Your eligible dependents also  
26 are eligible for medical and dental benefits.)  
27

28 If you are totally disabled and remain on an approved medical leave of absence that  
29 extends beyond this period, your life insurance, AD&D, short-term disability, basic long-  
30 term disability, medical, and dental benefits (and dependent medical and dental benefits)  
31 continue up to 6 full consecutive calendar months during the approved medical leave  
32 with Company contributions.  
33

34 If the approved medical leave extends beyond this 6-month period due to continuous  
35 total disability, your medical coverage continues for up to an additional 24 months with  
36 Company contributions. Medical coverage ends earlier if you become eligible for Medicare  
37 or are no longer considered totally disabled. You also may continue the life insurance,  
38 AD&D, and dental benefits (and medical and dental benefits for eligible dependents)  
39 during this time by paying 100% of the cost of coverage on or before the tenth day of the  
40 month in which they are due.  
41

42 If you or your covered dependent is considered disabled by Social Security during the  
43 seventh or eighth month of the absence, you may continue medical and dental coverage  
44 for yourself and eligible dependents for up to 5 additional months by paying 150% of the  
45 cost of coverage.  
46

47 Medical and dental coverage continued after the sixth calendar month of medical leave is  
48 considered COBRA continuation coverage.  
49

### 50 **Other Approved Leaves of Absence**

51  
52 If you are eligible for coverage and begin an approved leave of absence, you are eligible for  
53 the Package the same as an active employee until the last day of the calendar month in which  
54 your leave began. (Your eligible dependents also are eligible for medical and dental benefits.)  
55 If the approved leave extends beyond this time, your life insurance, AD&D, short-term  
56 disability, basic long-term disability, medical, and dental benefits (and dependent medical

and dental benefits) continue for up to 3 full consecutive calendar months with Company contributions.

After this 3-month period, you may continue medical and dental coverage for up to an additional 21 months by self-paying 100% of the cost of coverage; this is considered COBRA continuation coverage. You also may continue life insurance coverage for the duration of the approved leave of absence by self-paying 100% of the cost of coverage.

### **Servicemember Family Leave and Continuation Coverage**

If you take a leave of absence to care for a family member injured in the line of military duty (Servicemember Family Leave) your coverage will continue for 24 months, provided this leave continues in accordance with the Family and Medical Leave Act. The first 6 months of coverage are provided at active employee rates, with the remaining 18 months at 100% of the total cost of coverage.

Coverage continuation during the first six months of Servicemember Family Leave is not considered COBRA coverage. However, your COBRA continuation period runs concurrently with the last 18 months of your Servicemember Family Leave continuation period.

### **Family and Medical Leave Act of 1993**

If the required coverage for family and medical leaves of absence under the Family and Medical Leave Act of 1993 is more generous than that already described here, the Company provides any required additional coverage under its group health plans.

### **Uniformed Services Leave of Absence**

If you take a leave of absence for service in the U.S. uniformed services (including the military, National Guard, and the Commissioned Corps of the Public Health Service), you are covered under the Package until the end of the month in which your leave began. If you remain on an approved leave of absence, coverage under the Package continues until the end of the third full calendar month of the leave as if you were an active employee on an approved nonmedical leave of absence.

If uniformed service extends beyond 3 months, you will be offered COBRA coverage that will start the beginning of the fourth full calendar month of your leave. You must enroll in COBRA coverage in order for coverage to continue. You may continue COBRA coverage for an additional 21 months while your uniformed services leave continues, in accordance with your rights under the Uniformed Services Employment and Reemployment Rights Act (USERRA).

During a temporary period after September 11, 2001, military leave of absence can be extended for a total of 60 months if your military leave is associated with the September 11, 2001 terrorist attacks on the United States or subsequent military action related to those attacks, including the war in Iraq. Your life insurance, medical, and dental coverage continue during this period. The cost of coverage during this 60-month period is the same as for active employees.

Your COBRA continuation period runs concurrently with coverage during USERRA leave.

If you return to active employment promptly after uniformed service, according to USERRA, the Package is reinstated on the date you return to the active payroll.

### **Changes in Leave Types**

If your type of leave changes from a medical leave of absence to a nonmedical leave

1 of absence (or vice versa), your periods of leave will be considered separate leaves of  
2 absence. However, if the type of your nonmedical leave of absence changes (for example,  
3 from family leave to personal leave), your maximum period of coverage in your new leave  
4 category will be reduced by the number of days or months for which you already received  
5 an extension of your active coverage.  
6

### 7 **Successive Periods of Leaves of Absence**

8  
9 Two medical leaves of absence separated by less than 30 days of continuous work are  
10 considered 1 leave of absence unless the second leave is due to entirely unrelated  
11 conditions.  
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**Group Benefits Package  
for Professional Employees  
Represented by SPEEA**

**Retiree Medical Plan  
Attachment B  
(Professional Unit)**

**January 1, 2023**

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**ATTACHMENT B**  
**Attachment B – Table of Contents**

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1 **ELIGIBILITY**

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3 You are eligible for the retiree medical plan if you retire from the service of the Company  
4 under the Company-sponsored retirement plan as follows:

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- You are an active employee and age 55 or older with 10 or more years of vesting service under a Company-sponsored retirement plan.
- You are disabled, become eligible for disability benefits under the Company-sponsored retirement plan, and are age 50 or older with 10 or more years of vesting service at retirement.
- You are on an approved leave of absence, you are age 55 or older with 10 or more years of vesting service at retirement, and you retire under the Company-sponsored retirement plan directly from your approved leave of absence.
- You are on layoff, you are at least age 55 with 10 or more years of vesting service at retirement, and you retire under the Company-sponsored retirement plan within 6 years following your layoff.

21

22

23

24

25

If you are eligible for retiree medical coverage as described above, you can defer your retiree medical coverage or receipt of your retirement plan benefit. See Effective Date of Retiree Medical Coverage and the Deferred Enrollment section of Retiree Medical Plan Enrollment for more information.

26

27

28

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31

Any employee working in the Company's plants located in Weber and Davis Counties, Utah, who was not eligible for Company-subsidized retiree medical coverage prior to recognition of the collective bargaining unit under Article 1.1(b), shall not be eligible for retiree medical coverage under this Agreement; including those hired prior to January 1, 2007.

32

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37

Any employee employed by the Company as Product Review Engineers, Boeing Salaried Job Code 6H6B, at the Boeing Flight Services Training Campus located in Miami, Florida, who was not eligible for company-subsidized retiree medical coverage prior to November 25, 2013 shall not be eligible for retiree medical coverage under this Agreement; including those hired prior to January 1, 2007.

38

39

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41

If you are hired on or after January 1, 2007, you will not be eligible for retiree medical coverage when you retire from the Company. For purposes of determining retiree medical plan eligibility, you are considered to be hired before January 1, 2007, if:

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- You were on an authorized leave of absence on December 31, 2006, and returned to active employment directly from that authorized leave of absence.
- You were on layoff on December 31, 2006, and returned to active employment within 6 years following your layoff.
- You were an active employee on December 31, 2006, went on an authorized leave of absence, and returned to active employment directly from that authorized leave of absence.
- You were an active employee on December 31, 2006, were laid off, and returned to active employment within 6 years following your layoff.

55

56

You are no longer eligible for coverage under the retiree medical plan after attaining age 65 or becoming eligible for Medicare.

## Eligible Dependents of Retired Employees

Dependents eligible for the retiree medical plan are your legal spouse (as recognized under both applicable state law and the Internal Revenue Code) and children (natural children, adopted children, children legally placed with you for adoption, and stepchildren) who are under age 26.

You may request coverage for the following dependents: An opposite-gender common law spouse if the relationship meets the common-law requirements for the state where you entered into the common-law relationship.

A spouse includes a domestic partner when enrolled in a fully-insured health care plan that is mandated by law to cover domestic partners or similar relationships.

Some states have laws that require insured health plans to offer coverage for certain registered domestic partners.

Other children (including children of domestic partners), as follows, who are under age 26, unmarried, and dependent on you for principal support:

- Children who are related to you either directly or through marriage (e.g., grandchildren, nieces, nephews).
- Children for whom you have legal custody or guardianship (or for whom you have a pending application for legal custody or guardianship) and are living with you.

Proof of dependent eligibility will be required.

In accordance with Federal law, the Company also provides medical coverage to certain dependent children (called alternate recipients) if the Company is directed to do so by a qualified medical child support order (QMCSO) issued by a court or state agency of competent jurisdiction.

Documentation is required to request coverage for dependents, including a child named in a QMCSO or a child for whom you have been given legal custody or guardianship. You must provide the Boeing Service Center with any required supporting documentation by the date specified by the Boeing Service Center or your request will be denied.

### Special Provisions

If you or any of your dependents is covered or becomes covered (or eligible for benefits by reason of having been covered) under another Company-sponsored plan providing medical benefits, that person is not eligible for the retiree medical plan. If you and your spouse are both employed by or retired from Boeing, you each must be covered by your own Boeing-sponsored medical coverage. However, if your spouse is a part-time Boeing employee or on an approved leave of absence or layoff, your spouse and eligible children are considered eligible dependents if other Boeing coverage is waived. If your spouse and eligible children are covered under your spouse's Boeing-sponsored plan, they will be considered eligible for the retiree medical plan at the time they no longer are eligible for coverage under your spouse's plan.

No person may be covered both as a retired employee and as a dependent, and no person will be considered as a dependent of more than 1 retired or active employee.



1 Upon your death, your spouse and any other covered dependents remain eligible for  
2 coverage under the retiree medical plan until the earliest of these dates:

- 3
- 4 • Your spouse or other dependent attains 65 years of age.
- 5
- 6 • Your spouse or other dependent becomes eligible for Medicare.
- 7
- 8 • The end of the last month for which contributions are paid.
- 9

## 10 **Disabled Children**

11

12 A disabled child age 26 or older may continue to be eligible if a physician documents that the  
13 child is incapable of self-support due to any mental or physical condition that began before  
14 age 26. You may be required to confirm the disability from time to time. The child must be  
15 unmarried and dependent on you for principal support. Coverage may continue under the  
16 retiree medical plan for the duration of the incapacity as long as you continue to be enrolled in  
17 the plan and the child continues to meet these eligibility requirements.

18

19 Special applications for coverage are required for disabled dependent children age 26 or older.

## 20

## 21 **RETIREE MEDICAL PLAN ENROLLMENT**

### 22

### 23 **Initial Enrollment**

24

25 You and your eligible dependents automatically will be enrolled at the time you become  
26 eligible, provided you pay any required contributions. You and your dependents will be  
27 enrolled in the same plan as immediately before retirement, if available.

28

29 You may elect to change medical plans by calling the Boeing Service Center within 31 days  
30 of the date you retire. The Company will supply enrollment instructions at the time of your  
31 retirement.

32

33 Medicare and nonMedicareeligible family members may elect a unique health plan  
34 (e.g., the retiree may elect the Boeing Medicare Supplement Plan and the spouse may  
35 elect the Traditional Medical Plan).

### 36

### 37 **Spouse Coverage**

38

39 Each retired employee enrolling a spouse must provide information regarding coverage  
40 available through another employer to determine whether special contributions are required  
41 to enroll the spouse. If you do not authorize a required contribution, your spouse will not be  
42 enrolled for medical coverage. You will not be able to enroll your spouse until the date your  
43 spouse loses the option to be covered under the other employer-sponsored medical plan.

44

45 The Company will require periodic verification of data.

### 46

### 47 **Special Enrollment Events**

48

49 If you declined coverage in the retiree medical plan for yourself and/or your eligible  
50 dependents when you were first eligible because you or your dependents had other  
51 employer-sponsored medical coverage, you may enroll yourself and/or your eligible  
52 dependents if you or your dependent experiences one of these special enrollment events:

- 53
- 54 • You or your dependent loses or becomes ineligible for other employer-sponsored  
55 medical coverage because of an event such as loss of dependent status under  
56 another employer's plan (through divorce, legal separation, or dependent

child reaching the limiting age), death, termination of employment, reduction in hours of employment, termination of employer contributions toward the coverage, elimination of coverage for the class of similarly situated employees or dependents, moving out of the plan's service area with no other coverage available from the other employer, or reaching the lifetime limit on all benefits under the other employer's plan.

- You or your dependent exhausts any continuation coverage from another employer; that is, coverage provided under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (COBRA), ends.
- You gain a new dependent because of marriage, birth, adoption, or placement for adoption.

If you experience a special enrollment event, you can enroll yourself and/or your eligible dependents in the retiree medical plan as described above. You can enroll in any family status tier and any health plan option available to you.

Special enrollment is not available if you lose coverage because of failure to make timely premium payments or termination from the plan for cause (such as for making a fraudulent claim).

### **Deferred Enrollment**

If you decline enrollment in the retiree medical plan because of other employer-sponsored health care coverage (such as through your spouse's employer), you may be able to enroll yourself and your eligible dependents in the Company-sponsored retiree medical plan at a later date as long as enrollment is within 60 days after other coverage ends.

- If you are *not* enrolled in the Company-sponsored retiree medical plan and have a new dependent as a result of an event such as marriage, birth, adoption, or placement for adoption, you may enroll yourself, your spouse, and any dependent children during the year as long as enrollment is requested within 60 days after the event by contacting the Boeing Service Center.
- If you *are* enrolled in the retiree medical plan and have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may enroll your new dependent during the year as long as enrollment is requested within 120 days after the qualified event.
- If you *are* enrolled in the retiree medical plan and have not enrolled your eligible dependents because of other employer-sponsored health care coverage, you may be able to enroll your eligible dependents in the Company-sponsored retiree medical plan at a later date as long as enrollment is within 60 days after the other coverage ends. The coverage loss must be due to loss of eligibility for the health care coverage (including from divorce, legal separation, death, termination of employment, or reduction in hours of employment), termination of employer contributions toward such coverage, or reaching the other plan's lifetime maximum benefit.

### **Transfer Between Plans**

Transfer between plans is permitted only during authorized annual enrollment periods or following a change of residence.

- Annual enrollment period.

1 The Company establishes an annual enrollment period on or before January 1 each  
2 year when you may change medical plans.  
3

- 4 • Change of residence.  
5

6 If you move out of an EPO, HMO, or PPO plan service area, you have 60 days to select a  
7 medical plan available in the new location by calling the Boeing Service Center. It is your  
8 responsibility to notify the Company of the change in residence within the 60-day period.  
9

## 10 **Status Changes** 11

12 If you already are enrolled for this retiree medical coverage, you may be able to change or  
13 add an eligible dependent if you experience one of the status changes described below. Any  
14 change to your coverage must be consistent with the status change that affects your or your  
15 dependent's eligibility for Company-sponsored health care coverage or health care coverage  
16 sponsored by your eligible dependent's employer. Status changes include the following:  
17

- 18 • You acquire a new, eligible dependent through marriage, birth, adoption, or  
19 placement for adoption.  
20
- 21 • You lose a dependent through divorce, legal separation, or annulment of your  
22 marriage.  
23
- 24 • Your covered dependent dies.  
25
- 26 • Your covered dependent starts or stops working.  
27
- 28 • Your covered dependent has any other change in employment status that  
29 affects eligibility for coverage such as changing from full time to part time (or  
30 part time to full time), salaried to hourly (or hourly to salaried), strike or lockout,  
31 a transfer between a nonunion salaried position and a union-represented  
32 position, or beginning or returning from an unpaid leave of absence.  
33
- 34 • You or your covered dependent experiences a significant increase in the cost  
35 of employer-sponsored health care coverage or the employer-sponsored  
36 health care coverage ends, including expiration of COBRA coverage.  
37
- 38 • The Company adds a new benefit option or significantly improves an existing  
39 benefit option.  
40
- 41 • You or your covered dependent experiences a significant curtailment or  
42 cessation of employer-sponsored medical coverage.  
43
- 44 • You or your covered dependent becomes eligible or ineligible for Medicare or  
45 Medicaid.  
46
- 47 • Your dependent child becomes eligible for, or no longer is eligible for, health  
48 care coverage due to age limits, principal support status, or a similar eligibility  
49 requirement.  
50
- 51 • Your covered dependent makes an enrollment change in his or her employer-  
52 sponsored health care coverage, either because of a qualified change in status  
53 or an annual enrollment.  
54
- 55 • You or your covered dependent changes place of residence or work, affecting  
56 access to care within the current plan or access to network providers.

You also may change an election to comply with a qualified medical child support order (QMCSO) to provide or cancel coverage for a dependent child resulting from a divorce, annulment, or change in legal custody.

If you are eligible to add new dependents, you must request the dependent enrollment change within 60 days after the qualified event. You can enroll a new dependent within 120 days following your marriage or your dependent child's birth, adoption, or placement for adoption. Enrollment may be requested by calling the Boeing Service Center. To request enrollment for a new dependent more than 60 days but within 120 days after marriage, birth, adoption, or placement for adoption, you must call the Boeing Service Center and speak with a customer service representative. You must provide the Boeing Service Center with any supporting documentation by the date specified by the Boeing Service Center or your request will be denied.

You may drop coverage for yourself or your dependents at any time. However, you may reenroll only if you and your dependents are continuously covered by an employer-sponsored plan and that coverage ends, as described in Deferred Enrollment.

## **EFFECTIVE DATE OF RETIREE MEDICAL COVERAGE**

### **Retired Employees**

If you are a newly retired employee, the plan becomes effective on the first day of the second month following the month in which your active employment ends, provided you pay any required contributions.

If you are eligible for retiree medical coverage at the time active employment with the Company ends, or as otherwise described in Eligibility, you may:

- Defer enrollment in the retiree medical plan until the date your benefits begin under the Company-sponsored retirement plan, or
- Enroll in the retiree medical plan and defer receipt of benefit payments under the Company-sponsored retirement plan, or
- Defer enrollment in the retiree medical plan until your coverage ends under another employer-sponsored health care plan (such as through your spouse's employer), as described in the Deferred Enrollment section of Retiree Medical Plan Enrollment.

You are not eligible for the retiree medical coverage described in this Agreement after becoming eligible for Medicare or attaining age 65.

### **Dependents**

Current eligible dependents are covered for retiree medical benefits on the same date your coverage is effective, provided proper application is made and you pay any required contributions. Eligible dependents acquired after your coverage is effective become covered on the date of marriage, date of birth, or date the child is legally placed with you for adoption, if application is made within 120 days of the event and you pay any required contributions. For other newly eligible dependents, coverage is effective on the date dependency is established, if application is made within 60 days and you pay any required contributions.

1 **SUMMARY OF MEDICAL PLAN BENEFITS**

2

3 The medical plans offered to retired employees are the same as the plans offered to active  
4 employees, except that the TRICARE Supplement Plan is available to retirees only.

5

6 The Advantage+ health plan can only be offered to retirees without an employer  
7 contribution to a health savings account (HSA).

8

9 Effective January 1, 2010, benefit and plan payment provisions will be based on a benefit  
10 year of January 1 through December 31.

11

12 **TERMINATION OF RETIREE MEDICAL COVERAGE**

13

14 **Retiree Coverage**

15

16 Your medical coverage stops on whichever of the following dates occurs first:

17

18 • You attain 65 years of age.

19

20 • You become eligible for Medicare.

21

22 • The end of the last month that any required contributions are paid.

23

24 Your covered dependents can continue their coverage until they reach their termination  
25 date, as described below.

26

27 **Dependent Coverage**

28

29 Coverage for your eligible dependents terminates on whichever of the following dates  
30 occurs first:

31

32 • Your dependent no longer qualifies as an eligible dependent.

33

34 • Your dependent attains 65 years of age.

35

36 • Your dependent becomes eligible for Medicare.

37

38 • The end of the last month you are covered under this retiree medical plan or  
39 the Company-sponsored Medicare Supplement Plan, except in the case of your  
40 death.

41

42 • The end of the last month that any required contributions are paid.

43

44 **Continuation of Medical Coverage (COBRA)**

45

46 If medical coverage for your dependents otherwise would terminate due to one of the  
47 following reasons, these benefits may continue for specified periods under Public Law 99-  
48 272, Title X, as amended, if the individual makes a timely request to the Company and pays  
49 the required contribution.

50

51 • Your death.

52

53 • Your divorce.

54

55 • You become entitled to Medicare.

56

- Your dependent child ceases to be a dependent as defined under this plan. (A child eligible to be continued under the plan's incapacitated child provision will still be considered to have dependent status.)

**Conversion Privilege**

If medical coverage terminates for reasons other than voluntary cancellation of coverage or by becoming eligible for another Company-sponsored plan, the service representative will make available an individual program of medical benefits similar to those then being issued for group conversion. The benefits provided under the individual plan will not exactly duplicate the benefits provided under this group medical plan. This conversion privilege is available to your covered dependents who cease to qualify under the group policy and to surviving covered dependents if you die. No evidence of insurability is required.

**TRICARE SUPPLEMENT PLAN DESCRIPTION OF BENEFITS**

<p><b>The plan is insured by Hartford Life and Accident Insurance Company and administered by Selman &amp; Company.</b></p> <p>The benefits described below are for illustrative purposes only and subject to change at the discretion of the plan administrator.</p>	
Eligible Employees and Dependents*	<ul style="list-style-type: none"> <li>• Individuals enrolled in TRICARE (Department of Defense coverage):               <ul style="list-style-type: none"> <li>– Military retirees and their dependents</li> <li>– Dependents of active duty military personnel</li> </ul> </li> </ul>
Benefits Supplementing TRICARE Standard/Extra	<ul style="list-style-type: none"> <li>• 100% of military hospital subsistence charges</li> <li>• 100% of civilian hospital coinsurance amounts</li> <li>• 100% of outpatient services coinsurance amounts</li> <li>• 100% of deductibles and copayments for prescription drugs</li> <li>• 100% of charges in excess of usual and customary</li> </ul>
Benefits Supplementing TRICARE Prime/POS	<ul style="list-style-type: none"> <li>• 100% of HMO network and pharmacy copayments</li> <li>• 50% of nonnetwork coinsurance amounts</li> <li>• 100% of charges in excess of usual and customary</li> </ul>
Vision Care	<ul style="list-style-type: none"> <li>• Provided through the Boeing vision care program</li> </ul>
Coverage Ends	<ul style="list-style-type: none"> <li>• For retiree and spouse at age 65 or earlier entitlement to Medicare</li> <li>• For dependent children at age 21 or 23 if full-time students</li> </ul>
* Includes retired employees and their dependents who are not eligible for Medicare	