

TENTATIVE AGREEMENT

Professional Unit

ARTICLE 8 WORKFORCE ADMINISTRATION

Section 8.1 Employees to Whom This Article is Applicable.

8.1(a) 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 surplused 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.

~~**8.1(b)** The terms "employee" or "employees" wherever used in this Article will be subject to the foregoing limitations.~~

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 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.
~~The preface to Appendix A explains and identifies the various code letters and numbers.~~

8.3(c) ~~(d)~~ **"Major Organization."** The term ~~will~~ 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 ~~8.6(e)~~8.5(a)(4). The Company shall provide to the Union in writing ~~an~~ current up-to-date list of Major Organizations and advise the Union as soon as practicable of changes made thereto.

8.3(d) ~~(e)~~ **"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~~ The required by 8.3(a) will be accomplished as herein described. 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.

~~8.3(a)~~8.4(a) **Frequency.** A retention index review will be held at least ~~three (3)~~ four (4) 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 ~~Evaluation-Management~~ process.

~~8.4(a)~~8.4(b) **Retention Group Make-up.** Retention index groups shall be comprised of employees with identical Management will assign a retention rating by SMCs to each employee to whom this Article applies, with the basic objective

~~of identifying those employees who, in the opinion of management, are 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. 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 ~~Attachment 17~~the 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 times at which such ratings will be assigned,~~ the members of management who will ~~determine ratings or~~ participate in the retention indexing process reviews, the retention index groupings to be ~~utilized~~used, ~~the timing,~~ and the other mechanics and details of such process 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(e). It is recognized that any ~~practical~~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 representatives necessarily must participate in the process; and the additional facts that professional employees are involved and many of the factors that must be dealt with in the process are intangible in nature. Managers with employees on a cross training, rotational, or other temporary assignment should contact appropriate managers to solicit input, as applicable.

8.4(d) Distribution. Retention indexing will result in each employee being rated in one of three (3) categories, hereinafter referred to as R1, R2 and R3. Each employee will be assigned a retention rating such that, as nearly as is mathematically practicable, the retention rating distribution for each SMC within each retention index group is R1 – 38 to 42%, R2 - 38 to 42% and R3 - 18 to

22%. Employees classified as Technical Fellows and Associate Technical Fellows shall not be subject to those distribution requirements.

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

8.4(e) Designating Employees as Ineligible for Priority Recall Consideration.

~~A mutually agreed upon process has been developed and implemented for the purpose of identifying employees who, while not subject to 8.9(b)(3), will be declared ineligible for first consideration recall rights. This process includes the following elements:~~

Designated employees will be identified as part of the retention indexing process and advised in writing via the retention rating notification per 8.4(g) that, in the event of layoff during the period of time between retention ~~indexes~~index reviews, they will have no priority recall consideration.

Designated employees must have an assigned R3 retention rating.

Designated employees will be identified by skill teams.

Designated employees who have one full year of service and who elect to receive income continuation benefits under 21.3(b) will nevertheless be ineligible for priority recall consideration.

Employees who have been so designated will be provided with an Employee Improvement Action Plan which will identify the specific conditions leading to the designation and improvements necessary to avoid such designations in the future. Management and the employee will have on-going discussions about the employee's progress in achieving the objectives outlined in the action plan. The Company will promptly notify the Union of the identities of designated employees. The identification of designated employees shall not be subject to Article 3; however, designated employees may appeal the designation regardless of their previous retention rating in accordance with ~~8.4(e)(1)~~8.4(h).

Designations ~~pursuant to this Letter of Understanding~~ will remain in effect until the next scheduled retention index review exercise or the employee's designation is reevaluated per 8.6(b)(3) prior to layoff.

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

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

Employees with thirty (30) or more years of Company service whose assigned retention rating is R2 will be given an adjusted retention rating of R1. Such adjustments will be reflected in the written notification to each employee described in 8.4(fg). (Employees who reach the aforementioned Company service dates between periodic retention indexings reviews will have their assigned receive an adjusted retention ratings adjusted accordingly.)

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 ~~Letter of Understanding entitled "Designated Employees"~~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(gh). ~~Employees may elect to temporarily waive any service adjustment.~~

8.4(f)8.4(g) Employee Notification. Following each periodic retention index review, the Company Management will provide each employee with a written notification of of his or her new periodicthe employee's retention rating not later than the effective date ~~of the new periodic retention indexing~~, except where such a schedule is made ~~impractical-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 ~~that employee's~~the following elements:

~~8.4(f)(1) Job family and skills management code~~

~~8.4(f)(2) Skill Team Captain or Functional manager's name~~

The employee's job classification and SMC,

The employee's assigned ~~8.4(f)(3) R~~retention rating prior to and adjusted rating, if any, following any adjustment under 8.4(e)8.4(f),

The effective date of the retention rating,

and tThe number of employees in each of the three (3) retention rating categories as adjusted under 8.4(e)(f) within the employee's Retention Index Group as defined in 8.4(b).job family and skills management code and Major Organization.

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(c)(1)8.4(h) Retention Rating Appeals. The retention indexing process will not be subject to the grievance procedure; however, an employee who feels the ~~assigned~~-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(c)(1)a~~**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(c)(1)b~~**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(c)(1)c~~ Employees who currently hold an assigned retention rating of R3 whose retention rating was previously adjusted to R1 for Company service may appeal an assigned R3 rating during the first retention review process of this Agreement.

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

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

~~8.4(c)(1)e~~**8.4(h)(5)** If the Union believes the employee's appeal warrants further review, the Union will notify the Enterprise Senior Workforce Manager within ten (10) workdays of receipt of the employee's appeal.

~~8.4(c)(1)f~~**8.4(h)(6)** Within ten (10) workdays following such notice, a Skill Team/Functional Human Resources Representative, a Workforce or Employee Relations Representative and a Union Representative will meet to resolve the appeal. Pertinent information may be obtained from the employee, the immediate supervisor, and/or the Retention Skill Captain for this meeting.

~~8.4(c)(1)~~**8.4(h)(7)** The parties identified in ~~8.4(c)(1)~~**8.4(h)(6)**, above, will resolve the appeal by majority decision at the meeting or within five (5) workdays thereafter. In the event the Union considers the decision to be inappropriate to the facts of the case, the Union may advance its appeal to the Enterprise Senior Workforce Manager. Such resolution by majority decision or by decision of the Enterprise Senior Workforce Manager will be final and binding and will conclude the appeal process.

~~8.4(c)(1)~~**8.4(h)(8)** If the result of an appeal over a two-position drop in retention rating is in favor of the employee, one of the following options may be selected as determined by Company and Union representatives:

Restoration to the previous retention rating of R1, or
Modification of the assigned retention rating to R2.

8.4(i) Out-of-Sequence Retention Ratings.

~~8.4(g)~~**8.4(i)(1)** An employee hired into a unit who has less than two (2) years of directly applicable work experience who has not been assigned a retention rating or who was excluded from the ~~will not be included in or subject to the~~ periodic retention index review may remain without an 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(h)~~**8.4(i)(2)** An employee who returns to active employment from layoff status or leave of absence will retain the job family and skills management code and retention rating held at time of layoff or leave of absence until such time as management is able to evaluate the employee's capability and elects to assign the employee a new retention rating.

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

~~8.4(j)~~**8.4(i)(4)** Employees entering a unit other than as described in ~~8.4(i)(1)~~**8.4(g)**, ~~8.4(i)(2)~~**8.4(h)**, and ~~8.4(i)(3)~~**8.4(i)**, and those employees whose job family and skills management codes are changed, will receive new retention ratings within the six-month period following the date of such entrance or change. Prior to receiving the 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 Job Family and Skills Management Code. Job family and skills management codes will be assigned as follows:~~

~~8.5(a) A job family and skills management code will be assigned each employee by management following discussion with the employee regarding their knowledge, skills and abilities as they relate to their current assignment. This job family and skills management code defines the employee's current assignment and not necessarily the employee's highest skill. Upon assignment by management, the employee will have the opportunity to acknowledge receipt on the Company provided form. Employee job classifications and skills management codes may be challenged pursuant to Article 22.5(d).~~

Section 8.68.5 Redeployment Procedures.

~~**8.5(a) Application.** Subject to 8.5(e), 8.5(f), 8.5(j), and 8.5(k) and the applicable provisions of Article 9, the scope of which sections is in no way limited or affected by 8.5(a), 8.5(b), 8.5(c), and 8.5(d), the procedure for handling workforce reductions will be as follows:~~

~~**8.5(a)(1) 8.6(a)**—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) 8.6(b)**—If, after application of the procedures and exceptions stated in 8.5(a)(1)8.6(a), 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.~~

~~Further r~~Rounding under ~~8.5(a)(1) 8.6(a)~~ and ~~8.5(a)(2) 8.6(b)~~ 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) 8.6(e)~~ If, after application of the procedures and exceptions stated in ~~8.5(a)(2)8.6(b)~~, 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 in such job family and skills management codes in the latter Major Organization(s) will be displaced and designated for layoff. The latter Major Organization(s) will have the right to retain in each affected job family and skills management code not to exceed 20% of its R3 rated employees in each such job family and skills management code and not to exceed 40% of its R2 rated employees in each such job family and skills management code. To determine the number of employees that may be retained by the latter Major Organization(s), these percentages are to be applied respectively to the number of R3 rated employees and R2 rated employees that were within the particular job family and skills management code in the latter Major Organization(s) at the most recent periodic indexing.

~~8.5(a)(4)8.6(d)~~ If, after application of the procedures and exceptions stated in ~~8.4(f)8.4(e)~~, ~~8.5(a)(1)8.6(a)~~, ~~8.5(a)(2)8.6(b)~~, and ~~8.5(a)(3)8.6(e)~~ if applicable, a necessity for workforce reduction continues to exist in any of the job family and skills management codes in the Major Organization where the reduction originated, the Company will have the right to select, designate and lay off any of the remaining employees in the affected job family and skills management codes within the units described in 1.1(a), 1.1(b), 1.1(c), and 1.1(d) irrespective of their retention rating, Major Organization or any other factor.

~~8.6(e) The Company may lay off employees from the unit without regard to the provisions of this procedure, provided the number of such layoffs per month does not exceed 0.25% (one quarter of one percent) of the total number of employees employed in the bargaining unit on the first day of that month.~~

~~8.6(f)~~**8.5(b)** Nothing in this Article is intended to preclude management from using other actions, such as employee transfers, reclassifications, reassignments or combinations thereof which are not inconsistent with the terms and conditions governing such actions as may be set forth in this Agreement, in order to avoid or reduce the necessity to initiate or carry out workforce reductions.

~~8.6(g)~~ Employees designated by the Company for special training in programs approved by the Major Organization Director of Human Resources will be assigned a unique skills management code in accordance with the Letter of Understanding entitled Retraining Skill Transition.

8.5(c) ~~8.6(h)~~ Employees laid off after refusing less than equivalent job offers made as a result of redeployment activities will be considered involuntary layoffs and will be eligible for layoff benefits as defined in Article 21.

8.5(d) ~~8.6(i)~~ During periods of surplus activity, the Company may make available programs intended to mitigate the impact of layoffs. The Company will advise the Union of these programs and their availability.

8.5(e) ~~8.1(b)~~ The provisions of 8.6 will not apply to employees placed on travel status by the Company, and such employees will may not be laid off while on such status. Such employees shall not be counted among or reduce the number of exceptions permitted by the provisions of 8.5 nor shall their retention rating prevent the layoff of employees with higher retention ratings who are otherwise subject to such action.

~~8.6(j)~~ The provisions of 8.5 will not apply to employees placed on travel status by the Company, and such employees will not be laid off while on such status.

8.7~~8.5~~**(f) Exceptions to Foregoing Procedures.**

~~8.6(e)~~**8.5(f)(1)** The Company may lay off employees from the unit without regard to the provisions of this procedure, provided the number of such layoffs per month does not exceed 0.25% (one quarter of one percent) of the total number of employees employed in the bargaining unit on the first day of that month.

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

Section ~~8.9~~8.6 Layoff Status and Return to Active Employment.

~~8.6(a) 8.9(a)~~ Maintenance of Layoff Status.

~~8.6(a)(1) 8.9(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)8.9(a)(2)~~.

~~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)8.9(b)(3)~~, those who have received layoff benefits as a lump sum under 21.3(a), and those identified under ~~the Letter of Understanding entitled "Designated Employees."~~8.4(e).

~~8.6(a)(3) 8.9(a)(2)~~—An employee shall remain on layoff status for recall consideration and layoff benefits in accordance with ~~8.6(a)(1)8.9(a)(1)~~, provided he or she does not:

~~8.6(a)(3)a 8.9(a)(2)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 TotalAccess and the Company's Employment Staffing System, or

~~8.6(a)(3)b 8.9(a)(2)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)c8.9(a)(2)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 8.9(a)(2)d~~—Elect retirement under the Company Retirement Plan thereby removing themselves permanently from layoff status.

~~8.6(a)(4)8.9(a)(3)~~ 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 therefor, by the Company.

~~8.6(a)(5)8.9(a)(4)~~ Laid off employees who are prevented from meeting the conditions described in ~~8.6(a)(3)a8.9(a)(2)a~~, ~~8.6(a)(3)b8.9(a)(2)b~~, ~~8.6(a)(3)c8.9(a)(2)c~~, or ~~8.6(b)(4)8.9(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)8.9(b)(5)~~ 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(b) 8.9(b)—Return to Active Employment.

~~8.6(b)(1)8.9(b)(1)~~ It is a mutual objective of the Company and the Union that laid off employees who have not been determined ineligible under ~~8.6(b)(3)8.9(b)(3)~~, 21.3(a), or ~~the Letter of Understanding entitled “Designated Employees”8.4(e)~~ be recalled to active employment, and a mutual desire that such recall into the Major Organization from which the employee was laid off be offered in approximate reverse order of layoff, with the objective of matching laid off employee skills to job requirements as defined in ~~8.6(b)(1)c8.9(b)(1)c~~. Accordingly, laid off employees on file for recall pursuant to ~~8.6(b)(4) 8.9(b)(4)~~ will be offered return to active employment within the applicable job family and skills management code, in approximate reverse order of lay-off, prior to workforce additions from sources external to the Company, subject to the following limitations:

~~8.6(b)(1)a8.9(b)(1)a~~ Eligible laid off employees must set up and maintain a profile in the Company’s Employment Staffing System.

~~8.6(b)(1)b 8.9(b)(1)b~~—Nothing in ~~8.98.6~~ will preclude the Company from concurrently hiring from sources outside the Company when projected requirements exceed the number of laid off employees in applicable job family and skills management codes on file pursuant to ~~8.6(b)(4) 8.9(b)(4)~~ who are eligible for an offer of recall. In such instances, qualified laid off employees with priority recall consideration within the applicable job family and skills management code shall be extended a job offer.

~~8.6(b)(1)c 8.9(b)(1)c~~—In making recall ~~and~~ hiring decisions, the Company will review the specific qualifications of individuals on the basis of product familiarity, specialized experience or education, customer requirements and the need to achieve the most efficient and accurate match of individual capabilities to job requirements. Consequently, not all Company decisions relating to recall ~~and~~ hiring can promote the mutual objective and desire stated above. Accordingly, only decisions relating to matching employee’s skills to job requirements will be subject to Article 3 following completion of a review by the Enterprise Senior Workforce Manager. Such decisions will not be subject to Article 3.

~~8.6(b)(2)8.9(b)(2)~~ The Company periodically will review with the Union the operation of ~~8.6(b)(1) 8.9(b)(1)~~ in order to facilitate achievement of the mutual objective and desire stated above.

~~8.6(b)(3) 8.9(b)(3)~~—Prior to layoff the Company will review employees to determine eligibility for reemployment consideration under ~~8.6(b)(1)8.9(b)(1)~~. The review will be limited to those employees for whom there is supporting documentation of performance deficiencies and/or a pattern of unacceptable

conduct. The review will be performed by the cognizant Skill Team Captain for the employee's job family and skills management code. Based on the review the employee will be advised no later than the time layoff notice is issued as to his or her eligibility for reemployment consideration under ~~8.6(b)(1)8.9(b)(1)~~. An employee determined ineligible may appeal such determination to the cognizant Skill Team Captain. If the appeal does not resolve the matter, the employee may then file a grievance in accordance with Article 3. Such grievance shall be limited to the first three (3) steps of the grievance procedure and shall not be subject to arbitration.

8.6(b)(4)8.9(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. Within forty-five (45) days of layoff, the employee must file for priority consideration return to active employment. The Company will maintain a list of the names of all laid off employees, except those determined ineligible under 8.9(b)(3), those who have received layoff benefits as a lump sum under 21.3(a), and those identified under the Letter of Understanding entitled "Designated Employees." In order to maintain such recall status, †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 TotalAccess. 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. submitting a letter so stating.~~
- ~~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 The employee must registering via TotalAccess by letter 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 Registration letters must be completed via TotalAccess received within forty-five (45) days prior to the expiration of the current half-year period and must contain the individual's name, BEMS ID, address, and telephone number.~~

8.6(b)(4)b ~~Individuals who do not properly register in each calendar half-year period will be removed from thehave priority recall consideration eligibility list. Failure to register properly will result in priority consideration eligibility being 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)8-9(a)~~.

~~8.9(b)(5) 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 either~~

~~(a) a Company receipt, or~~

~~(b) a properly addressed U.S. Postal Service return receipt evidencing filing of the registration letter during the calendar period in question.~~

~~8.6(c) 8.9(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) 8.9(d)~~ Employees who remain on layoff status for the full period specified in ~~8.6(a)(1) 8.9(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) 8.9(e)~~ The Company will maintain a record of all laid off employees who are on layoff status under the above provisions.

Section 8.78 Procedure Relating to the Filling of Positions and Job Posting Process ~~8.8(d)~~

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, approved October 24, 2005), 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. ~~Exceptions to the employee release requirements may be appealed to the Enterprise Senior Workforce Manager in cases where resolution is not reached through discussions with management.~~

Section 8.8 General Provisions.

8.8(a) Compensable Injuries. Any employee who has been wholly or partially incapacitated for that employee's regular work by compensable injury or compensable occupational disease while in the employ of the Company may,

while so incapacitated, be employed in his or her own bargaining unit in work which the employee can do without regard to the provisions of this Article Agreement. The Union shall be notified of persons to whom this waiver applies and the effective dates of such waiver.

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

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

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

Dated: December 2, ~~2005~~2008

**Society of Professional Engineering
Employees in Aerospace**

The Boeing Company

By _____

By _____

Dated _____

Dated _____