Voluntary Investment Plan

Summary Plan Description
2006 Edition 1/Eligible Employees

The summary plan description (SPD) for this Plan is this booklet and any summaries of material modifications (Updates). Updates are issued if the Company adds to or changes benefits in the Plan after the SPD is published. The Updates, if any, are incorporated at the end of this booklet.

A letter explaining the employer matching contribution is considered part of the SPD. To receive a copy of the letter, call Boeing TotalAccess and request an SPD; the letter will be included.

The content and delivery of this booklet are intended to comply with the Employee Retirement Income Security Act of 1974, as amended (ERISA). If there is any conflict between the information in this booklet and the official Plan document, the official Plan document will govern.
Plan Information and Notice

The Boeing Company Voluntary Investment Plan (“VIP”) is one of the many important benefits offered to you as an employee of The Boeing Company (the “Company”). You are eligible for this Plan if you are part of one of the eligible groups listed beginning on page 7. The Plan offers a convenient, flexible way to help you save for your financial future.

Summary Plan Description and Plan Document

This booklet is designed to provide a general description of your benefits under the Plan. The summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002) is this booklet, the cover letter or eligibility notice that you receive with this booklet, and any future summaries of material modifications (referred to as Updates).

The actual Plan is a complex legal document that was written in accordance with Federal rules, including those of the Internal Revenue Service. Every effort has been made to provide an accurate summary of the Plan. In the event of a conflict between the information in this summary plan description booklet and the official Plan document, the terms of the official Plan document always will govern.

If questions arise concerning the Plan’s interpretation or administration, the official Plan document will be used to resolve the issue. The contents and delivery of this summary plan description booklet are intended to comply with the Employee Retirement Income Security Act of 1974, as amended.

Updates

Periodically, the Company may change the benefits offered under the Plan. If this happens, you will receive an Update describing the changes. Be sure to keep any Updates with this booklet.

Notice of Company Rights

The Company fully intends to continue this Plan; however, the Company may terminate, suspend, amend, change, or modify any benefits described in this booklet, in whole or in part, at any time, and for any reason for employees, former employees, retirees, and their dependents.

Currently, the Company has delegated the authority to amend and administer the Plan to the Employee Benefit Plans Committee, which is appointed by The Boeing Company Board of Directors. As Plan Administrator, the Committee will apply the terms of the Plan and will, as appropriate, use its discretion in interpreting the terms of the Plan when reviewing claims for benefits.

Please read this booklet carefully; it summarizes the most important features of the Plan.

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933, as amended.

This summary plan description booklet is not a guarantee of current or future employment or benefits. Receiving benefits under this Plan does not restrict the Company’s rights to discharge any employee at any time.
The Boeing Company Voluntary Investment Plan Highlights

The Company recognizes that employees have different financial goals. For one employee, this Plan might help build up a reserve to supplement future retirement income. For another, saving through the Plan might provide the resources to meet short-term financial goals such as college educations for children or buying a house. Generally, the Plan is designed to supplement your other sources of income in retirement such as your personal savings and investments as well as any income you receive from the Federal Social Security program.

Following is a summary of the VIP key features as of January 1, 2006, unless otherwise noted. It describes how the Plan works and what you need to do to participate. You are encouraged to keep this information and refer to it whenever you have questions about the Plan. After considering your personal circumstances, you may want to discuss your options under the VIP with a tax adviser or legal counsel.

How the Plan Works

The Plan allows you to contribute a portion of your pay into your Plan account on a pretax and/or aftertax basis. You can invest those contributions among many investment funds offered in the Plan. The Company also may contribute toward your savings in the form of employer matching contributions and employer profit-sharing contributions, as described beginning on page 16.

While you are employed by The Boeing Company, or an affiliate or subsidiary (collectively, the “Boeing Controlled Group”), you may be able to receive money from your Plan account in the form of a loan, withdrawal, or qualifying financial hardship. When you leave the Boeing Controlled Group, you are eligible for a distribution from the Plan subject to the distribution rules outlined on page 37.

The Plan Administrator for this Plan is the Employee Benefit Plans Committee of The Boeing Company. The Plan recordkeeper is CitiStreet. If you have questions about the Plan or your Plan account, contact the Boeing Savings Service Center. (See page 55 for contact information.)
Contacting the Boeing Savings Service Center Through Boeing TotalAccess

Boeing TotalAccess is the gateway to your personal benefits information. You can access the Boeing Savings Service Center through Boeing TotalAccess at any time for many transactions and services. (See page 55 for a detailed description.) Boeing TotalAccess is available 24 hours a day, seven days each week, on line and by telephone.

**On the Boeing Web**, log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab. Then follow the links to Boeing Savings Plans Online.

**On the World Wide Web**, log on to [https://my-ext.boeing.com](https://my-ext.boeing.com) and click the savings plans button.

**By telephone**, call 1-866-473-2016. Choose savings from the menu and follow the prompts.

TTY/TDD services are available at 1-800-755-6363.

You must have your BEMS ID number (or Social Security number) and Boeing TotalAccess password when you use the telephone or the World Wide Web. If you have an account in another Boeing savings plan, you will use the same Boeing TotalAccess password to access your VIP account.

For more information on accessing Boeing Savings Plans Online, see page 55.
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Who Is Eligible

You are generally eligible to participate in the Plan if you are a nonunion salaried employee of the Company or a union-represented employee described below or an employee of an adopting subsidiary or affiliate company, and you are on the active payroll of the Company. Covered union-represented employees are listed below. A list of adopting subsidiaries and affiliates is on page 46.

Covered Union-Represented Employees

The Plan is provided in accordance with agreements with the following collective bargaining representatives:

- American Federation of Security Officers
  Local 1 (California)

- Douglas Association of Security Officers

- Electronic & Space Technicians
  Local 1553

- International Association of Firefighters
  Local I-17 (Pennsylvania)
  Local I-66 (Washington, Missouri)

- International Association of Machinists and Aerospace Workers
  District Lodge 751 (Washington)
  District Lodge 24 (Oregon)
  District Lodge 70 (Kansas)
  District Lodge 751
    Local Lodge 2766 (Huntsville, Alabama)
    Local Lodge 44 (Decatur, Alabama)
  District Lodges 751, 70, 24 (foreign assignment)
  District Lodge 725 (California and Florida)
  District Lodge 837 (Missouri)
  District Lodge 1163 (Kennedy Space Center)
  District Lodge 711
    Local Lodge 2709 (Tennessee)
  District Lodge 166
    Local Lodge 2061

- International Brotherhood of Carpenters & Joiners Association
  Local 721 (California)
International Brotherhood of Electrical Workers
   Local 271 (Kansas)
   Local 2295 (California)
   Local 1 (Missouri)

International Union of Painters and Allied Trades California District Council
   Local 36

International Brotherhood of Teamsters
   Local 174 (Washington)
   Local 795 (Kansas)
   Local 6 (Missouri)
   Local 610 (Missouri)
   Local 952 (California)
   Local 578 (California)
   Local 848 (California)

International Union of Operating Engineers
   Local 286 (Washington)
   Local 286W (Washington)
   Local 501W (California)
   Local 501E (California)
   Local 3 (California)

Lazy B Pilots Association

Sheet Metal Workers International Association
   Local 461 (California)

Society of Professional Engineering Employees Association
   Engineering Unit (Washington)
   Engineering Unit (Kansas)
   Engineering Unit (Florida)
   Technical Unit (Washington)
   Wichita Technical and Professional Unit (Kansas)

International Union of Security, Police and Fire Professionals of America
   Local 5 (Washington)
   Local 506 (Pennsylvania)
   Local 2 (Oregon)
   Local 255 (Kansas)
   Local 159 (California)
   Local 250 (Missouri)
   Local 160 (California)
Trade Council of Alaska

United Auto Workers
   Local 148 (California)
   Local 864 (Texas)
   Local 887 (California)
   Local 1069 (Pennsylvania)
   Local 1482 (Arkansas)
   Local 1519 (California)

For a copy of the current collective bargaining agreement, contact your Human Resources representative.

**Who May Not Participate**

You are *not* eligible to participate in the Plan if any of the following apply to you:

- You are not employed by The Boeing Company, affiliate, or subsidiary.
- You are represented by a union that has not accepted the Plan.
- You already are an active participant in a different savings plan sponsored by a member of the Boeing Controlled Group.
- You are an employee of a Boeing Controlled Group member for which the Plan has been approved, but at the time of your employment, you are a citizen or national of the United States, and you also are (1) a bona fide resident of a foreign country or (2) you were hired directly by a foreign branch of a subsidiary or affiliate company to perform services outside the United States.
- You are a nonresident alien working for a Boeing Controlled Group member, and you have no earned income from the subsidiary or affiliate for work performed in the United States.
- You are working in a capacity that, at the sole discretion of the Plan Administrator, is considered as contract labor or independent contracting.

**How to Enroll and Start Saving**

You may enroll any time after your hire date. Soon after you are hired, you will receive a savings plan enrollment kit from the Boeing Savings Service Center. You can use your enrollment kit as a guide to enroll.

**Enroll On Line or by Telephone**

The Boeing Savings Service Center provides two ways for you to enroll: on line or by telephone. Both ways are easy, and you can find or request the information you need to make informed decisions about how much to save and how to invest your savings.

- To enroll on line, connect to the Boeing Savings Plans Online web site through Boeing TotalAccess. Once you reach Boeing Savings Plans Online, select The Boeing Company Voluntary Investment Plan and follow the instructions to enroll.
- To enroll by telephone, call the Boeing Savings Service Center through Boeing TotalAccess.
When you enroll, you must choose how much you want to contribute, in pretax and/or aftertax dollars, and you must select the investment funds in which you want to invest your contributions. You will be required to designate a beneficiary when you enroll. (See “How to Designate a Beneficiary,” below.)

After you enroll, a confirmation statement will be mailed to you within two to three business days. You may also choose to be notified by secure e-mail from CitiStreet that you have a confirmation statement posted to your account on Boeing Savings Plans Online the following business day. You can choose electronic delivery of your confirmation statements at any time by going to the “My Preferences” section on the home page of your account at Boeing Savings Plans Online.

Your first payroll deduction generally should occur within two pay periods. If you believe that you have enrolled but you do not receive a confirmation statement within 10 days or you did not receive e-mail notification of your confirmation and payroll deduction has not begun after two pay periods, call the Boeing Savings Service Center through Boeing TotalAccess to verify your enrollment in the Plan.

Investment elections that you make before 4 p.m. Eastern time will be effective the same day if it is a business day. (A “business day” is a day in which the New York Stock Exchange is open.) Transactions that you make on a nonbusiness day or transactions made on or after 4 p.m. Eastern time are effective the following business day.

**What Happens if You Are Transferred**

If you transfer to the Company from a nonparticipating member of the Boeing Controlled Group, or if you transfer from a position represented by a union that has not accepted the terms of the Plan, you may become eligible to participate in the Plan immediately. If you are eligible to participate in the Plan, you can enroll at any time. For details, see “How to Enroll and Start Saving,” beginning on page 9.

**How to Designate a Beneficiary**

When you enroll in the Plan, you must designate a beneficiary to whom your account balance will be paid if you die before it has been fully paid out to you.

You can designate or change your beneficiary on line by accessing the Beneficiary Information link under the Personal Information section of Boeing Savings Plans Online. Your beneficiary designation will take effect once the confirmation number is generated; however, it will not be displayed for one to two business days.

Your enrollment kit will contain helpful hints in designating your beneficiary. If you prefer to complete a paper Beneficiary Designation form, you can print the form from the Forms section of Boeing Savings Plans Online or request one by calling the Boeing Savings Service Center.

If you are not married, you can name anyone as your beneficiary, and you can change your beneficiary at any time.

If you are married, you must designate your spouse as your beneficiary. However, you may designate someone other than or in addition to your spouse as your primary beneficiary if you obtain your spouse’s written consent. Federal law requires your spouse’s written notarized consent on the Beneficiary Designation form; otherwise, your spouse will be the sole primary beneficiary of your account.
## Access Your Voluntary Investment Plan (VIP) Account On Line

Visit the Boeing Savings Plans Online web site—at work or from home—through Boeing TotalAccess. The web site provides you with the flexibility to view your personal account, perform transactions, and view and print statements. You can do all of the following through Boeing Savings Plans Online. (If you do not have a computer, you can call the Boeing Savings Service Center through Boeing TotalAccess.)

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<tr>
<th>Enroll</th>
<th>Begin saving through the Plan</th>
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<td>Designate</td>
<td>Your beneficiary</td>
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<tr>
<td>Check</td>
<td>• Your account balance</td>
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<td></td>
<td>• Fund performance</td>
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<td>• Outstanding loan balances</td>
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<td>• Beneficiary designations</td>
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<td>• Pending transactions</td>
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<tr>
<td>Change</td>
<td>• Your savings account status (for example, to activate or deactivate your account)</td>
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<td></td>
<td>• Your beneficiary designations</td>
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<td></td>
<td>• How much you contribute from each paycheck, including stopping contributions</td>
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<td>• How new contributions are allocated to the funds</td>
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<td>• How existing balances are allocated among the funds</td>
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<td></td>
<td>• How dividends are reinvested</td>
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<td>Learn</td>
<td>Access the Financial Resource Center for valuable information about saving for your financial future</td>
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<td>Request</td>
<td>• A detailed statement of your savings account balance</td>
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<td>• Loans (model new nonresidential loans and apply on line)</td>
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<td>• A residential loan package</td>
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<td>• Loan payoff information</td>
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<td>• In-service withdrawals (except hardship withdrawals)</td>
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<td>• Hardship withdrawal application</td>
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<td>• Termination distributions</td>
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<td>• Direct deposit for in-service withdrawals, distributions</td>
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<td>• Plan literature, forms, the termination package, and investment fund information</td>
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<td>• A distribution of cash or shares from your balance in the Boeing Stock Fund</td>
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<td>• Receipt of confirmation notices of transactions by e-mail</td>
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<td>View and print</td>
<td>• Contribution history for prior quarter, year-to-date, and prior year</td>
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<td>• Transaction history (up to 18 months)</td>
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<td>• Online statements for any time period within the past 18 months</td>
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The Plan recognizes beneficiary designations and changes only when they are completed and received before your death. You may not designate or change a beneficiary by using other documents (such as divorce decrees, prenuptial agreements, wills, or trusts).

If you have not designated a beneficiary either on line or on the appropriate Beneficiary Designation form, or your primary and secondary beneficiaries are no longer living, then benefits will be paid in the following order:

1. To your surviving spouse.
2. To your children, in equal shares.
3. To another relative designated by the Employee Benefit Plans Committee or to your estate.

If you have a balance under the BAO Voluntary Savings Plan, you must complete a separate Beneficiary Designation for each account.

If you wish to designate a different beneficiary for one of these plans, you must complete a paper Beneficiary Designation form for that individual plan by requesting a form from the Boeing Savings Service Center.

Your beneficiary designation for the Voluntary Investment Plan will apply to all of the following plans (if applicable):

- The Boeing Company Financial Security Plan
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Defined Contribution Plan
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Hourly Defined Contribution Plan
- Employee Payroll Stock Ownership Plan of McDonnell Douglas Corporation

**Your Ongoing Responsibilities**

You must keep your mailing address current at all times. It may be necessary for the Plan Administrator to contact you from time to time on matters relating to the Plan and how your benefits may be affected. For information on how to change your address, see page 40.

If your employment with the Boeing Controlled Group ends, you will receive a termination package that includes the information you will need to request a distribution of your VIP account.
How to Contribute to Your VIP Account

You accumulate money in your VIP account through contributions and any investment earnings on those contributions. Your VIP account may receive contributions from the following sources:

• Your payroll contributions (pretax, catch-up, or aftertax payroll contributions).
• Rollover contributions.
• Employer matching contributions.
• Employer profit-sharing contributions.

Each of these contributions is described in this section.

Note: References to making contributions of any kind do not apply to retired or former participants, beneficiaries of deceased participants, or alternate payees.

Your Payroll Contributions

You may contribute from your paycheck up to 20 percent of your base pay (15 percent if you are represented by a union that has not yet bargained for the 20 percent maximum) in the form of pretax dollars, aftertax dollars, or a combination of both. The combination of your pretax and aftertax contributions cannot be more than 20 percent of your base pay (or 15 percent, as applicable). Contributions must be in 1 percent increments.

For purposes of the Plan, your base pay means your base wage from the Company paid during the Plan year, including shift differential pay, but excluding any overtime pay, instructor pay, other bonuses, per diem, special assignment premium pay, location allowances, incentive compensation awards, disability pay, or any other payment.

Your contributions are deducted automatically from your paycheck. You can change your contribution percentage or stop contributions at any time, as described in “Making Changes to Your Account,” on page 29. You must also select the investment funds for your contributions. If you do not make an investment election, your contributions to the Plan will be invested in a manner determined by the Plan Administrator on a uniform and nondiscriminatory basis with respect to all participants. See “Investment Options,” on page 19.

If you have returned from military service, see “Uniformed Service,” on page 38, for the additional contribution options that may be available to you.

Pretax Contributions

You may make pretax contributions to your savings account, up to the dollar limits determined under the Internal Revenue Code. (See “How Much You Can Contribute in Pretax Dollars,” on page 15.)

If you are age 50 or older, or if you will turn age 50 during the calendar year, you may choose an additional pretax contribution percentage to your account. These contributions, which are called catch-up contributions, are described beginning on page 14.

Pretax contributions are deducted from your paycheck each pay period on a pretax basis. This means that your contribution amount is deducted from your paycheck before Federal, and in some cases, state income taxes are calculated on your total pay. The amount of money that you contribute on a pretax basis does not affect your base pay for purposes of calculating your pension, life insurance, or disability benefits.
The Internal Revenue Code limits your ability to withdraw pretax contributions, and any investment earnings on those contributions, before age 59½ (or before your employment ends). When available, early withdrawals are subject to income taxes and a 10 percent tax penalty.

However, you may be eligible to borrow from your account under the Plan’s loan provisions, or you may be able to request a hardship withdrawal. For details, see “How to Access Your Funds While You Work for the Company,” beginning on page 31.

### How You Reduce Your Taxes by Making Pretax Contributions to Your Savings Account

Contributing to your savings account on a pretax basis gives you two tax advantages: you may save on taxes in the current year and you defer taxes.

1. **Current-year tax savings**: When you direct money from your paycheck to your savings account before Federal income taxes are withheld, you may reduce the amount of income taxes you pay, as shown in this chart.

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<th>Participating in the VIP</th>
<th>Making an Ordinary Aftertax Investment</th>
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<td>Annual pay</td>
<td>$36,000</td>
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<tr>
<td>Pretax contribution</td>
<td>$3,600</td>
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<td>Taxable income</td>
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<td>FICA tax</td>
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<tr>
<td>Federal income tax</td>
<td>$4,860*</td>
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<tr>
<td>Aftertax investment</td>
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<tr>
<td>Income after taxes and</td>
<td>$24,786</td>
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<tr>
<td>investment</td>
<td></td>
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<tr>
<td>Annual Federal income tax savings**</td>
<td>$540</td>
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</table>

**Important note:** Federal income tax withholding is determined according to your total income for the year minus your pretax contributions to the Plan. (Please note that Federal tax laws require FICA to be withheld from pay regardless of any pretax contributions made under the Plan.)

2. **Tax deferral**: Your pretax contributions, and any investment earnings on those contributions, stay in the Plan—tax deferred—until you withdraw them. Your withdrawal will be taxed at your tax rate in effect at the time of the withdrawal. For many people, this provision allows withdrawals made at retirement to be taxed at a lower tax rate.

* Based on an average head of household Federal tax rate of 15 percent. Your tax rate may differ depending on your taxable income, your spouse’s taxable income, and any other income you may have (such as investment income), less deductions.

** The example is intended to show you how to estimate your tax savings by contributing on a pretax basis. The example does not include state income taxes. This example does not show all factors that might affect your taxes. For some employees, different Federal income tax rates will apply, so the tax savings may be larger or smaller.

### Catch-Up Contributions

In addition to the pretax contributions just described, if you are age 50 or older by the end of a calendar year, you may make catch-up contributions to the Plan over and above normal Plan and legal limits under the Internal Revenue Code (described in “Contribution Limits,” on page 17). In other words, you can make pretax contributions of an additional $5,000 in 2006. Starting in 2007, the annual limit will be indexed each year for cost of living adjustments. Catch-up contributions are 100 percent vested; however, they are not eligible for employer matching contributions.
You will be eligible to elect catch-up contributions starting anytime during a calendar year if you meet all of the following criteria. You are

- Eligible to contribute to the Plan.
- Age 50 or older or you will be age 50 or older by the end of the calendar year.
- Currently contributing at least 8 percent of your base pay to the Plan on a pretax basis or you have already reached any one of the following limits:
  - The annual legal limit on total pretax contributions ($15,000 in 2006).
  - The annual legal limit on total contributions to your savings accounts, including pretax, aftertax, and employer contributions ($44,000 in 2006).
  - The annual legal compensation limit for qualified plan contributions ($220,000 in 2006).

**How Much You Can Contribute in Pretax Dollars**
The Internal Revenue Code imposes the following limits on pretax contributions to the Plan.

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Maximum 401(k) Pretax Contribution</th>
<th>Maximum Catch-Up Contribution</th>
<th>Total Maximum Pretax Plan Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>$15,000</td>
<td>$5,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>2007</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
</tbody>
</table>

The dollar amounts shown above are annual maximums. With each paycheck, you may contribute up to 50 percent of your base pay in the form of catch-up contributions as long as your total annual contribution is within the applicable limit shown above. You must make a separate election to have catch-up contributions deducted from your paycheck.

**What You Need to Know About Catch-Up Contributions**

- Catch-up contributions are not deducted automatically from your paycheck. You must make a separate election for catch-up contributions—in addition to your regular pretax contribution election.
- Once you elect a catch-up contribution percentage, it remains in effect for future years until you change it or cancel it.
- You may choose a catch-up contribution percentage of up to 50 percent of your base pay, subject to the catch-up limits shown above, for any pay period.
- Catch-up contributions must be made during the calendar year in which they are elected. You cannot make catch-up contributions for previous years.
- You are always 100 percent vested in your catch-up contributions, just as you are 100 percent vested in your regular pretax contributions.
- Catch-up contributions are subject to the same withdrawal restrictions as are your regular pretax 401(k) contributions. For information on withdrawing pretax contributions, see “How to Access Your Funds While You Work for the Company,” on page 31, or visit Boeing Savings Plans Online.
- Catch-up contributions are not eligible for employer matching contributions.
Catch-up contributions are designed to help you exceed the maximum contribution limits imposed by law on your retirement savings plan. Therefore, if you have not been contributing the maximum pretax percentage (15 or 20 percent, depending on any applicable collective bargaining agreement) or you have not reached one of the legal limits mentioned above, your designated catch-up contributions will be treated as regular pretax contributions. This simply means that the catch-up contributions you have made are legally reclassified as regular pretax contributions; your account balance is not adversely affected.

Catch-up contribution limits apply to individual employees on a calendar-year basis. If you transfer between companies within the Boeing Controlled Group, or if you leave the Boeing Controlled Group to work for an unrelated firm, you still will be limited to the total catch-up contribution annual maximum (see page 15) for the entire calendar year, even if you contribute to several 401(k) plans with different employers.

*It is your responsibility to monitor your catch-up contributions so that you do not exceed the annual maximum.*

**Aftertax Contributions**

If you choose to make aftertax contributions to your account, your contributions will be made after Federal income taxes have been withheld from your paycheck. Because your aftertax contributions are taxed as income before they are placed into your account, only the investment earnings on these funds will be subject to Federal income taxes when you withdraw them from the Plan at a later date.

The provisions for withdrawing aftertax contributions generally are less restrictive than are those for pretax contributions under Federal tax laws. However, in many instances, income taxes plus the additional 10 percent early withdrawal tax will apply to the investment earnings portion, if any, of your aftertax withdrawals from the Plan. See “How to Access Your Funds While You Work for the Company,” beginning on page 31, for an explanation of the Plan’s withdrawal procedures and requirements as well as information about loans.

**Employer Matching Contributions**

To encourage you to save through the Plan and increase your personal savings, the Company may match a portion of your contributions each pay period. For information about the employer matching contribution that applies to you, see the eligibility notice you received with this summary plan description booklet, or call the Boeing Savings Service Center through Boeing TotalAccess and request a summary plan description booklet and refer to the attached “summary plan description notice.” The notice is considered part of this summary plan description booklet, and you should keep it for future reference. Catch-up contributions are not matched.

Employer matching contributions are invested in accordance with your investment elections. Employer matching contributions and any related investment earnings (including gains and losses) will be subject to taxes when you withdraw them.

**Employer Profit-Sharing Contributions**

Each pay period, the Company may make a profit-sharing contribution to your savings account based on a percentage of your base pay. For information regarding eligibility about the profit-sharing contribution that may apply to you, see the eligibility notice you received with this summary, or call the Boeing Savings Service Center through Boeing TotalAccess and request a summary plan description confirmation notice. This notice is considered part of this summary plan description booklet, and you should keep it for future reference.
Profit-sharing contributions are invested in accordance with your investment elections. Profit-sharing contributions and any related investment earnings (including gains and losses) will be subject to taxes when you withdraw them.

**Rollover Contributions**

If you are eligible to participate in the VIP and you previously participated in another qualified employer plan, you may request that the VIP Trustee accept a direct rollover of all or a portion of your pretax and/or aftertax benefits from the former plan, provided your former plan meets certain conditions. You also may directly roll over to the Plan all or a portion of pretax contributions held in a conduit or traditional individual retirement arrangement (IRA). The Plan also will accept direct rollovers from simplified employee pension (SEP) IRAs. Only pretax contributions will be eligible for rollover into the Plan from an IRA. By law, IRAs containing aftertax contributions are not accepted.

You must make your request in writing and indicate to which fund or funds you wish the rollover to be made. You can print the rollover request form from the Forms section of Boeing Savings Plans Online, or you can request one by calling the Boeing Savings Service Center through Boeing TotalAccess.

No employer matching contributions will be made with respect to the amount directly rolled over from another qualified employer plan or from an IRA. All other provisions of the Plan, including the loan provisions and withdrawal restrictions, apply to rollover funds.

*The Plan does not accept rollovers from other Boeing Plans.*

**Contribution Limits**

The Internal Revenue Code places limits on the amount of contributions and the base wages of participants that affect qualified defined contribution plans such as the VIP. One limit affects the maximum pretax dollar amount a participant may contribute to the Plan during the Plan year (January 1 through December 31). Participants who are eligible to make catch-up contributions have a separate limit to the amount of catch-up contributions that can be made in the Plan year. Exhibit 1, on page 15, shows the maximum annual dollar amounts you may contribute to the Plan on a pretax and catch-up basis.

There also is a limit on the total annual additions (employee pretax and aftertax contributions and employer matching and profit-sharing contributions) to a participant’s VIP account. The annual additions limit for 2006 is $44,000 and does not include catch-up contributions or investment earnings. Another limit, commonly referred to as the compensation limit, does not allow a participant to contribute to the Plan once he or she has reached the compensation limit (for 2006 the Plan year limit is $220,000 in base wages). All of the above limits may be adjusted annually for cost-of-living increases by the Department of the Treasury.

If your pretax contributions reach the annual limit, your contributions will then be made on an aftertax basis. This change will be indicated on your paycheck. Unless you stop your contributions—by calling the Boeing Savings Service Center through Boeing TotalAccess or through Boeing Savings Plans Online—you will continue to make aftertax contributions through the end of that calendar year or until you reach either the annual additions or compensation limit described above. Beginning in January of the next year, your contributions will start again automatically, on a pretax basis, unless you elect otherwise.

If you are eligible to participate in the Supplemental Benefits Plan for Employees of The Boeing Company (SBP) and elected to contribute to the SBP, once you reach either the annual additions or compensation limit, your contributions to the VIP will cease and pretax contributions to the SBP will begin in the percentage you elected during the SBP enrollment period. Employees eligible to participate in the SBP will receive separate enrollment communications before enrolling in the Plan.
Separate nondiscrimination tests apply to pretax, aftertax, employer matching, and employer profit-sharing contributions. If these tests are not passed, the Plan may be required to refund excess contribution amounts to certain “highly compensated” employees. According to the Internal Revenue Code, a person would be considered highly compensated in 2006, for example, if he or she earned at least $100,000 during the prior Plan year. This limit also may be adjusted annually by the IRS.

**Vesting**

Vesting means that you have earned the right to receive 100 percent of the value of any employer matching contributions, employer profit-sharing contributions, and any investment earnings on those contributions in your savings account. These contributions are 100 percent vested in the VIP at all times. In addition, you always are 100 percent vested in any of your own pretax, aftertax, or rollover contributions.

You may take the vested portion of your funds with you when you end your employment with The Boeing Company and the Boeing Controlled Group.
Investment Options

The Plan lets you choose how to invest your contributions. Exhibit 2, on page 19, lists the 19 investment funds that are available to you. This section reflects investment option features effective January 3, 2006.

You decide what percentage of your contributions you want to direct into each fund in 1 percent increments. You can put 100 percent of your contributions into one fund, or you can spread out your contributions into different funds.

The funds fall into four categories: lifecycle funds, indexed funds, actively managed funds, and the Boeing Stock Fund. The following sections briefly describe each investment fund. The Boeing Savings Plans Fund Fact Sheet Book describes the funds in more detail, provides past and current investment performance, and identifies the investment managers. Information about each fund’s annual operating expenses (e.g., investment management fees and administrative fees) is contained in a Plan Fee Matrix available on line or by contacting the Boeing Savings Service Center through TotalAccess (see page 55). You may also obtain the following investment fund information, based on the latest information available to the Plan, by contacting TotalAccess:

- Copies of financial statements and reports that are provided to the Plan and prospectuses, if any;
- A list of assets in each fund and their value or proportion of the fund each asset comprises, and the name of the issuer, term, and rate of return of any fixed rate investment contracts issued by a bank, savings, and loan association or insurance company; and
- The unit value for each fund (you also may obtain this information on line).

<table>
<thead>
<tr>
<th>Lifecycle Funds</th>
<th>Indexed Funds</th>
<th>Actively Managed Funds</th>
<th>The Boeing Company Stock</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifecycle Retirement Fund</td>
<td>Bond Market Index Fund</td>
<td>VIP Stable Value Fund</td>
<td>Boeing Stock Fund</td>
</tr>
<tr>
<td>Lifecycle 2010 Fund</td>
<td>Balanced Index Fund</td>
<td>Large Companies Value Fund</td>
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<tr>
<td>Lifecycle 2020 Fund</td>
<td>S&amp;P 500 Index Fund</td>
<td>Large Companies Core Fund</td>
<td></td>
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<tr>
<td>Lifecycle 2030 Fund</td>
<td>Russell 2000 Index Fund</td>
<td>Large Companies Growth Fund</td>
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<tr>
<td>Lifecycle 2040 Fund</td>
<td>International Index Fund</td>
<td>Large Companies International Fund</td>
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<td>Small/Mid Companies Value Fund</td>
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<td>Small/Mid Companies Growth Fund</td>
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<td></td>
<td></td>
<td>Science and Technologies Fund</td>
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</tbody>
</table>
Consider Your Investment Choices Carefully

Please note that, although each of the investment funds is professionally managed with the goal of protecting your initial investment and producing earnings in your account, none of these investment funds is guaranteed by The Boeing Company, or any Boeing affiliate or subsidiary, the funds’ managers, the Plan’s fiduciaries or the U.S. Government. As a result, as with any other investment you might make in a mutual fund or similar account, you may experience losses to your account and even a loss to your principal investment. Therefore, you are encouraged to consider your investment options carefully and to consider other investment alternatives if you are unwilling to assume any investment risk at all. In addition, please note that investment management fees are charged to each investment fund.

Information regarding the asset holdings of available investment options is available by calling the Boeing Savings Service Center.

Important note: This Plan is intended to constitute a self-directed plan under Section 404(c) of ERISA and 29 U.S.C. Section 2550.404c-1. Accordingly, the fiduciaries of the Plan are relieved of liability for any losses that are the direct and necessary result of your investment instructions. This means that you are responsible for your own investment decisions.

Important Notes

There is a short-term redemption fee of 1.5 percent of the value of units sold within 30 calendar days from the date they are purchased for all funds except the VIP Stable Value Fund and the Boeing Stock Fund.

You may not transfer other investments into the Boeing Stock Fund for 30 calendar days after moving money out of the Fund.

Please keep this in mind when considering your investment choices. See page 28 for more details.

Lifecycle Funds

Lifecycle Retirement Fund, Lifecycle 2010 Fund, Lifecycle 2020 Fund, Lifecycle 2030 Fund, Lifecycle 2040 Fund

Each lifecycle fund is a diversified investment portfolio that includes a mix of the broad asset classes to help maximize long-term growth potential and manage risk at the same time. Each one is invested mainly in a combination of stocks and bonds suitable for the time frame from now until the retirement target year in the lifecycle fund (the number in each fund’s name refers to a target year for retirement).

The lifecycle funds with dates furthest in the future (Lifecycle 2030 Fund and Lifecycle 2040 Fund) start out with the most aggressive investment mix—primarily focusing on stocks for long-term growth. Lifecycle funds with dates closer to the present (Lifecycle 2020 Fund and Lifecycle 2010 Fund) have a slightly more conservative approach, with a greater percentage of fixed-income investments. The Lifecycle Retirement Fund is designed for people who are already at or near retirement and is the most conservative of the lifecycle funds.
As your retirement date gets closer, the investment manager automatically adjusts the strategy to a more conservative approach, investing in fewer stocks and more in bonds. By the time the lifecycle fund reaches its target year, the fund will be merged into the Lifecycle Retirement Fund. For example, if you invested in the Lifecycle 2030 Fund, the fund would be merged into the Lifecycle Retirement Fund in the year 2030.

This progression to a less risky investment portfolio is a gradual process resulting in only minor quarterly changes to the asset allocations. If you are invested in a lifecycle fund, there is no need for you to rebalance that portion of your account to more conservative investments—unless your investment strategy changes. A 1.5 percent short-term redemption fee applies to these funds. See page 28 for more details.

Index Funds

**Bond Market Index Fund**

This fund is a commingled institutional fund that seeks to match the returns and characteristics of the Lehman Brothers Aggregate Index while providing daily liquidity. The fund seeks to match the return of the Lehman Brothers Aggregate Bond Index by investing in a well-diversified portfolio that is representative of the domestic investment grade bond market. The fund’s investments include U.S Treasury, agency, corporate, mortgage-backed, commercial mortgage-backed, and asset-backed securities. The fund invests in only high-quality bonds—those rated at least BBB by Standard & Poor’s or Baa3 by Moody’s Investors Service.

While complete replication of the Index is not possible, a stratified sampling approach is employed to build a portfolio whose broad characteristics match those of the Index. Individual security holdings may differ from the Index, but tracking error is continually monitored as the fund seeks to ensure that investors are receiving the Index returns, as close as possible to the Index.

The value of bonds is affected by changes in interest rates, credit quality, and time to maturity. In general, bond prices tend to increase when the interest rates decrease and vice versa. There are many other factors that may affect the fund’s performance, including changes in market conditions and in response to other economic, political, or financial developments. The fund may also participate in securities lending.

The risk level of the fund is classified as lower to moderate. The value of the fund’s investments may fluctuate due to changes in interest rates, credit quality, maturity, as well as other factors. As a bond fund, this fund may be appropriate for generating income and adding stability to a portfolio. A 1.5 percent short-term redemption fee applies to this fund. See page 28 for more details.

**Balanced Index Fund**

This fund is a commingled institutional fund that seeks to provide opportunities for growth balanced with current income. The fund seeks to match the returns and characteristics of a benchmark portfolio composed of 60 percent S&P 500® Index and 40 percent Lehman Brothers Aggregate Index, while providing daily liquidity.

The fund is a premixed portfolio of commingled stock and bond funds. The stock fund provides the opportunity for growth over the long term, whereas the bond fund provides current income and lower risk. The fund seeks to maintain an allocation of 60 percent in the S&P 500 Index Fund and 40 percent in the Bond Market Index Fund. Those funds also may participate in securities lending.

The fund’s risk profile is moderate because of the presence of well-diversified stock and bond holdings. Although the investments in the stock fund typically offer greater long-term growth
potential than those in the bond fund, they also may experience greater short-term changes in principal value. Stock values may vary in response to an individual company’s business fundamentals and general market and economic conditions. Bond values may fluctuate due to changes in interest rates, credit quality, maturity, as well as other factors. A 1.5 percent short-term redemption fee applies to this fund. See page 28 for more details.

Because this fund is a premixed portfolio of both stock and bond funds, it may be appropriate for those who are less comfortable with making investing decisions. The fund may be appropriate for investors with a medium to longer investment time frame.

S&P 500 Index Fund

This fund is a commingled institutional fund that seeks to match the performance and characteristics of the Standard & Poor’s 500 Index while providing daily liquidity. The S&P 500 Index includes a representative sample of 500 companies focusing on the large-cap segment of the U.S. equity market. The S&P 500 is maintained by the S&P Index Committee, whose members include Standard and Poor’s economists and index analysts.

This fund is made up of 500 individual common stocks traded on the New York Stock Exchange and over-the-counter market that represent a large cross section of U.S. companies as determined by Standard & Poor’s. The fund holds these stocks in proportion to their weighting in the index. The fund typically holds less than 5 percent of its value in non-leveraged futures contracts (an agreement to buy or sell a specific security by a specific date at an agreed-upon price). The strategy of investing in the same stocks as the Index minimizes the need for trading and therefore results in lower fund expenses. The fund also may participate in securities lending.

Stock values may vary from day to day in response to individual companies’ business fundamentals and general market and economic conditions. Modern portfolio theory holds that in the short term, stock values may be volatile, but over the long term, they have the potential for higher returns than do bond or cash investments.

As a stock fund, this fund may be appropriate for those with a medium to longer investment time frame. The risk of the fund is moderate to higher. A 1.5 percent short-term redemption fee applies to this fund. See page 28 for more details.

Russell 2000 Index Fund

This fund is a commingled institutional fund that seeks to match the performance of the Russell 2000 Index, which is considered a benchmark for small-cap companies in the U.S. stock market.

The fund generally attempts to invest in all 2,000 stocks in the Russell 2000 Index in proportion to their weighting in the index. The fund may make limited use of futures and/or options for the purpose of maintaining equity exposure. The fund also may participate in securities lending.

Stock values may vary from day to day in response to individual companies’ business fundamentals and general market and economic conditions. Market and economic events may have a greater impact on the value of smaller companies than on large companies. Modern portfolio theory holds that, in the short term, stock values may be volatile, but over the long term, they have the potential for higher returns than do bond or cash investments.

The risk profile of the fund is higher. As a stock fund, this fund may be appropriate for those with a longer investment time frame. A 1.5 percent short-term redemption fee applies to this fund. See page 28 for more details.
International Index Fund

The fund is a commingled institutional fund that seeks to match the performance and characteristics of the Morgan Stanley Capital International Europe, Australia, Far East (MSCI EAFE®) Index while minimizing transaction costs and providing daily liquidity. The MSCI EAFE Index consists of approximately 1,000 stocks in developed countries outside of North and South America and represents approximately 85 percent of the total market capitalization in those countries. To facilitate daily liquidity, the fund usually maintains a small (generally less than 5 percent) position in unleveraged international equity index futures contracts.

The fund typically invests in all the stocks in the MSCI EAFE Index in proportion to their weighting in the Index. To the extent that all their weighting in the Index cannot be purchased, the fund will purchase a representative sample of all stocks listed in the Index. The strategy of investing in the same stocks as the Index minimizes the need for trading and therefore results in lower expenses.

Investing in stocks of international companies and non-U.S. governments may carry substantial risks. There may be less publicly available information about international companies as compared with the reports and ratings published regarding U.S. companies. Investment in the fund is made in U.S. dollars, therefore, the fund is exposed to currency risk. In many non-U.S. countries, there is less government supervision and regulation of securities than in the United States. However, modern portfolio theory holds that investing in international stocks may further diversify overall portfolio risk.

The risk profile of the fund is moderate to higher. As an international fund, the fund may be appropriate for those seeking broad exposure to the international stock markets with a tolerance for risk looking for a fund that may produce capital appreciation over a long time frame. A 1.5 percent short-term redemption fee applies to this fund. See page 28 for more details.

Actively Managed Funds

VIP Stable Value Fund

This fund is a separate account fund that seeks to provide a predictable stable yield and, over the long term, a return advantage to money market rates. A fixed rate of interest is announced quarterly and is credited to account balances daily.

The fund is invested in interest-bearing contracts or other arrangements issued by insurance companies or other financial institutions. These types of contracts or arrangements provide a stated interest rate that is determined and announced periodically and may vary from period to period. The fund’s announced, credited interest rate reflects the blend of prevailing rates and the outlook for investing in the next period ahead. The current strategy for the contracts’ underlying investments includes high-quality government, corporate, mortgage-backed, and asset-backed fixed income securities.

The fund is a conservative investment with a lower risk than equity or market value bonds. This lower risk characteristic can result in returns that are lower than could potentially be earned with other investments. This fund may be appropriate for those seeking preservation of principal and a predictable rate of return or those who are unwilling or unable to accept volatility. The fund may be suitable as a fixed-income component of a diversified portfolio.
Large Companies Value Fund

This fund is a separate account fund that seeks to provide capital appreciation and dividend income. It seeks to outperform the S&P 500® Index over a market cycle of three to five years.

The fund manager invests primarily in common stocks of companies with capitalizations generally greater than $1 billion. The portfolio emphasizes a value style of investing, seeking well-established companies that appear undervalued and currently are not being recognized within the marketplace.

The risk profile of the fund is moderate to higher. Stock values vary in response to individual companies’ business fundamentals and general market and economic conditions. As a value stock fund, this fund may be appropriate for those with a long-term investment horizon. A 1.5 percent short-term redemption fee applies to this fund. See page 28 for more details.

Large Companies Core Fund

This fund is a separate account fund that seeks to provide growth of capital and consistent relative outperformance versus the Russell 1000® Index by investing primarily in large company stocks.

The investment manager seeks to take relatively small positions versus the base index (the Russell 1000 Index) to achieve superior relative performance. The investment manager seeks to outperform the benchmark by maintaining a similar risk profile but overweighting stocks it believes will outperform the benchmark, and underweighting those that it believes will lag.

The risk profile of the fund is moderate to higher. Stock values vary in response to individual companies’ business fundamentals and general market and economic conditions. This fund may be appropriate for those with a long-term investment horizon. A 1.5 percent short-term redemption fee applies to this fund. See page 28 for more details.

Small/Mid Companies Growth Fund

This fund is a separate account that seeks long-term growth of capital, attempting to outperform the Russell 2500® Growth Index, an index composed of small- and mid-sized growth stocks, in a risk-controlled manner. The fund seeks to invest in stocks of companies with superior business models, high-quality management and strong, consistent growth.

The investment manager uses a unique bottom-up, fundamental research-intensive approach to identify small/mid cap growth stocks with the greatest potential for price appreciation over a 12- to 18-month horizon. The investment manager invests in companies with market capitalizations between $300 million and $5 billion at the time of purchase.

The risk profile of the fund is higher. Stock values vary in response to individual companies’ business fundamentals and general market and economic conditions. Small company stocks include additional risks such as: lower liquidity and potentially lower availability of information. However, investing in small company stocks may further diversify overall portfolio risk. This fund may be appropriate for those with a long-term investment horizon. A 1.5 percent short-term redemption fee applies to this fund. See page 28 for more details.

Large Companies International Fund

This fund is a separate account that seeks long-term growth of capital by investing in a wide variety of international equity securities, normally excluding the United States. At the time of purchase, equity securities will generally be limited to stocks of companies with a minimum market capitalization of $2.5 billion. The fund seeks to outperform the Morgan Stanley Capital International (MSCI) All Country World (ACWI) excluding U.S. Index, an index including developed and emerging countries outside of the United States.
The investment manager believes a diversified core portfolio, driven by dynamic sector and company fundamental analysis, is the key to delivering consistently superior, risk-adjusted, long-term performance in the international equity markets.

Investing in stocks of international companies and non-U.S. governments may carry substantial risks. There may be less publicly available information about international companies as compared with the reports and ratings published regarding U.S. companies. Investment in the fund is made in U.S. dollars. Therefore, the fund is exposed to currency risk. In many non-U.S. countries, there is less government supervision and regulation of securities than in the United States. However, modern portfolio theory holds that investing in international stocks may further diversify overall portfolio risk.

The risk profile of the fund is higher. As an international fund, the fund may be appropriate for those seeking broad exposure to the international stock markets with a tolerance for risk looking for a fund that may produce capital appreciation over a long time frame. A 1.5 percent short-term redemption fee applies to this fund. See page 28 for more details.

**Small/Mid Companies Value Fund**

This fund is a separate account that seeks long-term capital appreciation, attempting to outperform the Russell 2500® Value Index, an index composed of small- and mid-sized value stocks, in a risk-controlled manner.

The fund’s philosophy emphasizes a value discipline and focused internal research. The investment manager evaluates traditional measures of value, overall business health, and changes in business momentum to capture market inefficiencies in the universe of small capitalization securities.

The risk profile of the fund is higher. Stock values vary in response to individual companies’ business fundamentals and general market and economic conditions. Small company stocks include additional risks such as lower liquidity and potentially lower availability of information. However, investing in small company stocks may further diversify overall portfolio risk. This fund may be appropriate for those with a long-term investment horizon. A 1.5 percent short-term redemption fee applies to this fund. See page 28 for more details.

**Large Companies Growth Fund**

This fund is a separate account that seeks capital appreciation by investing in securities of well-known established companies. The fund seeks to outperform the Russell 1000® Growth Index, comprising large and midsized U.S. companies.

The investment manager looks to identify growth companies that are market leaders with established brands, solid corporate infrastructure, and strong product distribution. The investment manager believes that these organizations have the potential for real earnings growth and solid investment returns. By focusing on well-established businesses and by diversifying investments into more than 100 stocks, the goal is to provide strong growth potential without undue risk.

The risk profile of the fund is moderate to higher. Stock values vary in response to individual companies’ business fundamentals and general market and economic conditions. As a stock fund, this fund may be appropriate for those with a long-term investment horizon willing to assume the risks of short-term fluctuations in value that are typical for a growth fund focused on stock investments. A 1.5 percent short-term redemption fee applies to this fund. See page 28 for more details.
Science and Technology Fund

This fund is a separate account that seeks long-term capital appreciation from technology-related stocks.

The fund focuses on the technology industries that are expected to outperform relative to the technology sector as a whole. Among the sectors evaluated are those that develop, produce, or distribute products or services in the computer, Internet, semiconductor, electronics, communications, health care, biotechnology, computer software and hardware, electronic components and systems, network and cable broadcasting, telecommunications, defense and aerospace, and environmental sectors.

The risk profile of the fund is higher. Stock values may vary from day to day in response to individual companies’ business fundamentals and general market and economic conditions. A fund that invests in a specific sector, such as technology, may be subject to greater price fluctuations because it is not well diversified across a variety of industries. The technology sector has historically been among the most volatile sectors in the market. Sector funds do not represent a complete investment program. Because sector funds are narrowly invested, investors should be prepared for significant short-term volatility. A 1.5 percent short-term redemption fee applies to this fund. See page 28 for more details.

The Boeing Company Stock

Boeing Stock Fund

This fund is a separate account that seeks long-term growth of capital plus current dividend income.

This is a stock fund that invests its assets almost entirely in common stock of The Boeing Company. The fund also holds a small amount in cash or cash equivalents to reduce the need to sell Boeing stock for fund redemptions. The cash position is targeted to be in the 1 to 2 percent range; however, it may fall outside of that range due to participant activity.

The risk profile of the fund is higher. Because the fund invests primarily in a single investment, the performance of the fund depends almost entirely on the value of Boeing stock. The lack of diversification makes this single-company stock fund riskier than the other diversified stock funds in the Plan.

As an employee of the Company, this fund enables you to profit directly from the success of The Boeing Company. However, because the fund could be very volatile, it may be appropriate for investors with a long-term investment horizon.

Note: Effective January 1, 2003, a dividend payout program began for the VIP Boeing Stock Fund. For the dividend payout program to be offered, the Internal Revenue Service requires that a portion of the Boeing Stock Fund be designated as an employee stock ownership plan (ESOP). Therefore, the Boeing Stock Fund was divided into two separate funds: the Boeing ESOP Stock Fund and the Boeing Traditional Stock Fund. Nonunion employees and union-represented employees whose unions have adopted the dividend payout program as part of their collective bargaining agreement are invested in the Boeing ESOP Stock Fund. They have the opportunity to reinvest their dividends in the Boeing Stock Fund, or to receive the dividends in cash. Union-represented employees whose unions have not adopted the program are invested in the Boeing Traditional Stock Fund. Dividends credited to the Boeing Traditional Stock Fund are reinvested automatically.

The unit value of the Boeing Stock Fund was based on the total combined market value of these two funds.
Participants who invest in the Boeing Stock Fund receive a dividend each quarter that The Boeing Company declares a dividend. In the past, dividends increased the value of participants’ existing Boeing Stock Fund units. Since January 1, 2003, dividends that are posted to participants’ accounts purchase additional Boeing Stock Fund units. When a dividend is declared, participants who reinvest their dividends see an increase in the number of units they hold in the Boeing Stock Fund.

Trading Restrictions
You cannot transfer other investments into the Boeing Stock Fund for 30 calendar days after moving money out of the fund. You may transfer money out of the Boeing Stock Fund at any time. You can direct your contributions, loan payments, and rollover contributions to the Boeing Stock Fund at any time. See page 28 for more details.

Voting Rights
You are entitled to exercise voting rights for the shares of Boeing stock allocated to your savings account. Your allocation is a proportionate share of the Boeing stock held in the Boeing Stock Fund based on the amount of your investment. Before each shareholders’ meeting, you will receive a proxy statement and a form so that you can indicate how you want your allocated shares to be voted. The Trustee will vote your share allocation according to your instructions. If you do not exercise your voting rights, the Trustee will vote your allocated shares in the same manner and proportion as those instructions received from other Plan participants.

Tender Rights
A tender offer is an offer to buy stock, usually at a premium over the current market price. As defined in the Plan, a tender offer must be one that requires a filing with the Securities and Exchange Commission. If there is a tender offer for Boeing stock, you will be notified of the terms and conditions of the offer. You will be given forms and instructions on how to tender, or offer, your allocated shares. The Trustee will vote the shares held in the Boeing Stock Fund allocated to your account in accordance with your instructions. The Trustee will reject the tender offer with regard to any unallocated shares or shares for which instructions are not received.

Confidentiality
Information relating to the purchase, holding, and sale of Boeing stock allocated to participant accounts, and the exercise of voting, tender, and similar rights with respect to those allocations, is kept confidential except to the extent necessary to comply with applicable Federal and state laws. The Boeing Company keeps this information confidential in accordance with its Corporate Governance Principles, which are periodically reviewed by the Governance, Organization, and Nominating Committee of The Boeing Company’s Board of Directors. The Plan Administrator (see page 47) limits access to this information with respect to the Plan to those persons designated as representatives of the Plan who need access to it to administer the Plan and requires those representatives to have and implement procedures designed to safeguard the confidentiality of the information. If the Plan Administrator determines that a situation exists that involves a potential for undue Company influence on participants and beneficiaries with regard to the direct or indirect exercise of shareholder rights, it will appoint an independent fiduciary to carry out its functions with respect to the situation. In addition, each year the Plan Administrator will notify the Plan Trustee (see page 46), the Plan recordkeeper (CitiStreet), and the Company’s transfer agent of their responsibilities to protect and safeguard the information and limit disclosure of the information. They are advised that under no circumstances may they disclose the information.
to the Boeing Company, its officers, directors, employees, or affiliates except to the extent necessary to comply with applicable Federal or state laws.

Redemption Fees
All funds—with the exception of the Plan’s Stable Value Fund and Boeing Stock Fund—have a short-term redemption fee of 1.5 percent applied to the proceeds value of units sold on all sale transactions that occur within 30 calendar days from the date the units are purchased. For this purpose, units held the longest will be treated as being sold first, and units held the shortest will be sold last.

Shares acquired through contributions, rollover contributions, or loan repayments are excluded from this process. They are not counted as purchases for purposes of applying the redemption fee. Units sold through withdrawal, distribution, or loan issuance are excluded from the redemption fee calculation.

The redemption fee, which is paid to the fund, is designed to offset the brokerage commissions, market impact, and other costs associated with fluctuations in fund asset levels and cash flow caused by short-term participant trading. This fee is paid to the respective fund’s trust, offsetting the trading costs of each fund, and therefore any proceeds are spread across those invested in that fund.

Please be aware of this short-term redemption fee when considering which funds to invest in. If you have any questions, contact the Boeing Savings Service Center through Boeing TotalAccess.

Trading Restrictions
Although you may transfer money out of the Boeing Stock Fund at any time (the redemption fee does not apply to the Boeing Stock Fund), you cannot transfer other investments into the Boeing Stock Fund for 30 calendar days after moving money out of the fund. These trading restrictions have no impact on your investment elections directing new contributions, loan repayments, or rollover contributions.

If you have any questions, contact the Boeing Savings Service Center through Boeing TotalAccess.

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**Important Note**
These short-term redemption fees and trading restrictions encourage a long-term investment philosophy and help ensure that participants who trade less frequently are not negatively impacted. The implementation of these rules is consistent with industry best practices in the marketplace of large company retirement savings plans.
Making Changes to Your Account

Because your savings needs and goals may change, the Plan provides you with flexibility to make certain changes. You can change

• How much you contribute.
• How new contributions are invested among the funds.
• How your current balance is invested.

Each change is described in this section.
You can make any of these changes through Boeing Savings Plans Online or by calling the Boeing Savings Service Center through Boeing TotalAccess (see page 53.)

**Change How Much You Contribute**

You may increase, decrease, or stop the amount of money that you are saving from each paycheck. You may contribute up to a total of 20 percent of your base pay to the Plan (15 percent if you are represented by a union that has not yet bargained for the 20 percent maximum). You may contribute in pretax dollars or aftertax dollars or a combination of both.

If you are eligible for and have elected to contribute to the Supplemental Benefit Plan (SBP), you will not be allowed to change your VIP deferral percentage or contribution method (pretax or aftertax contributions) during the plan year. SBP-eligible employees have an enrollment period in December of each year to make their VIP and SBP contribution elections for the following plan year (e.g., the enrollment period for the 2006 plan year was in December 2005). Employees eligible to participate in the SBP receive separate enrollment communications before enrolling in the Plan.

If you are eligible to make catch-up contributions, you may contribute up to 50 percent of your base pay on a pretax basis to the Plan. For eligibility and annual IRS limits, see “Catch-Up Contributions,” beginning on page 14.

Changes to your contribution percentages generally take effect within one to two pay periods.

**Change How New Contributions Are Invested Among the Funds**

You may direct 100 percent of your contributions to one fund or spread your contributions (in 1 percent increments) over several different funds. The Plan offers 19 different investment funds and 2 different investment philosophies—(1) choosing from comprehensive, premixed lifecycle funds or (2) building and monitoring your own investment portfolio. As your needs change, you may redirect portions of your total contributions, in whole percentages, to any of the funds offered by the Plan. When you change how new contributions are invested, the change generally will take effect within one to two pay periods.

**Transfer Money From One Investment Fund to Another**

At any time, you may change how your current balance is invested among the available funds. This is referred to as a transfer. You may transfer money from one fund to another in dollar amounts or whole percentages. You also may allocate your total current fund balances to a new combination of fund balances. This is referred to as a reallocation.
Please note that transferring money between funds or reallocating your fund balances does not change how your future contributions are invested. See page 28 regarding redemption fees applicable to most funds and trading restrictions applicable to the Boeing Stock Fund.

**Trading Limitations**

Although the Plan allows daily trading, it does not allow unlimited trading. Excessive trading by one person can hurt the other investors in a particular fund. In addition, the funds themselves have policies against market timing. The Plan Administrator reserves the right to limit your trading if it is determined to be excessive.
How to Access Your Funds While You Work for the Company

While you still are working for the Boeing Controlled Group, you may be able to access funds in your account by

- Taking out a loan.
- Taking an in-service withdrawal.
- Taking a hardship withdrawal.

If you withdraw funds before age 59½, they may be subject to income tax and a 10 percent early withdrawal tax penalty (except loans that are repaid accordingly to schedule). There also is a mandatory 20 percent Federal income tax withholding on the taxable portion of your withdrawal unless you make a direct rollover to an IRA or another qualified plan. (Hardship withdrawals are not eligible for rollover to an IRA or another qualified plan and are not subject to the 20 percent withholding requirement.) Generally, your ability to take a withdrawal is governed by the Plan and IRS rules in effect at that time.

This section describes each option.

Loans

The Plan provides you with the flexibility to borrow a portion of your account funds. Investment earnings stop on any money that you borrow until it is repaid. You also are charged interest on the loan. When you initiate a loan from your account, loan repayments, including interest, are deducted automatically from your paychecks. Each loan payment, with interest, is credited to your account in the same way in which you have directed new contributions to be invested.

Loans are available to active employees of the Boeing Controlled Group and employees on a Company-approved leave of absence only.

Loan provisions for the Plan are described in detail below.

Loan Amount

If you are (1) an active employee of the Boeing Controlled Group or (2) on an approved leave of absence, you may borrow from $1,000 up to the lesser of

- 50 percent of your account balance minus any current outstanding loan balances from all savings plans maintained by the Boeing Controlled Group.
- $50,000 minus your highest outstanding loan balance(s), including defaulted loans from all savings plans maintained by the Boeing Controlled Group in the last 12 months.

You may have no more than two loans outstanding across all savings plans maintained by the Boeing Controlled Group at any time.

When you receive a loan, the amount is withdrawn proportionally from your investment funds. You may not specify individual investment funds from which your loan proceeds will be withdrawn. The loan request will be funded from your account in the following order:

- Employer matching account.
• Aftertax contributions made after December 31, 1986, and a pro rata share of investment earnings.
• Rollover aftertax account.
• Rollover pretax account.
• Pretax account (including catch-up contributions and investment earnings).
• Employer profit-sharing account.

Because a portion of your investment funds is sold to provide for the loan, you no longer experience gains or losses on the portion that is sold. This means that you will not be credited with earnings or dividends on the unpaid portion of your loan.

Account values are determined using the closing prices on the day the loan is requested if the request is made before 4 p.m. Eastern time. Otherwise, the closing price on the next business day is used.

**Loan Interest Rate**
The loan interest rate is the prime rate quoted in *The Wall Street Journal* as of the last business day of the month before the month in which you take the loan. Once you take a loan, the interest rate is fixed for the duration of the loan.

**Applying for a Loan**
The Plan lets you apply for two types of loans: general loans and residential loans. A different application process applies for each type of loan.

**General Loans**
To apply for a general loan, access Boeing Savings Plans Online or call the Boeing Savings Service Center through Boeing TotalAccess. You can complete the entire application process on line or by telephone—no forms are required. You can model various loan scenarios with different loan amounts and repayment schedules. (The maximum loan repayment schedule is five years.)

Generally, a check will be mailed to you within two business days from the date of your request. Loan repayments will begin to be deducted from your paycheck within a month from the date you requested the loan.

A $50 nonrefundable loan application fee is charged to your account for each general loan you request.

**Residential Loans**
To apply for a residential loan, you must complete a written application. You can print an application from Boeing Savings Plans Online or request one by calling the Boeing Savings Service Center through Boeing TotalAccess. Residential loans require a valid purchase and sales agreement signed by both the buyer and the seller. (The maximum loan repayment schedule is 20 years.)

A $50 nonrefundable loan application fee is charged to your account for each residential loan processed.

Loans are available to active employees of the Boeing Controlled Group and employees on a Company-approved leave of absence only.

**Loan Repayments**
When you request a loan from your account, the Plan automatically deducts loan repayments from your paychecks. Each loan payment, which includes interest, is credited to your account in the same way in which you have directed new contributions to be invested.
Loan Repayments if You Are on an Approved, Unpaid Leave of Absence
If your loan repayments stop for reasons such as being on an approved, unpaid leave of absence, or if your paycheck is not enough to cover the repayment amount, you may continue to make payments in accordance with the terms of your loan by cashier’s check, money order, or personal check. If you pay by personal check, a 21-day hold on withdrawal and new loan activity will be placed on your account.

Your loan repayments may be suspended for up to one year if you are on an approved, unpaid leave of absence. However, if your loan is due to be paid off during your approved leave, the payment period will not be extended. Any outstanding balance will default unless it is paid off within 30 days after the payoff date. During the period you are absent from work and not making payments, additional interest will continue to accrue on your outstanding loan. When you return from leave, loan repayments resume through payroll deduction. Any missed loan repayments will not be deducted from your paycheck. You are encouraged to pay for any missed loan repayments by cashier’s check, money order, or personal check.

Loan Repayments if You Are on an Approved, Paid Leave of Absence
If you continue to receive a paycheck while you are on an approved leave of absence, your loan repayments will continue to be deducted automatically from your paychecks. Your pay may consist of vacation pay, sick leave pay, holiday pay, and short-term disability pay.

Loan Repayments if You Are on Military Leave
If you are absent because of uniformed service (as described in “Uniformed Service,” on page 37), your loan repayments will be suspended from your paychecks for the duration of your military leave. You may continue to mail in your scheduled loan repayments. If you go on military leave and you have an outstanding loan with an interest rate higher than 6 percent, the interest rate will be reduced to 6 percent while you are on military leave.

Loan repayments will resume through payroll deduction when you return from military leave. When you return to active status, the term of your loan will be extended for the duration of your military leave, and the loan may be reamortized to include any additional interest that accrued during the period of nonpayment. This may result in a different loan repayment amount. If your loan’s interest rate was reduced to 6 percent, when you return, your loan will be reamortized using the original interest rate in effect when your loan was issued.

Loan Repayments if You Terminate Employment
If you terminate your employment with the Boeing Controlled Group and you have an outstanding loan balance, it will become due and payable 90 days after you leave or at the time that you request a distribution of your account, whichever occurs first. Failure to repay your loan by this date constitutes a loan default, which is a taxable event. Loan defaults are reported to the IRS, and you will be issued a Form 1099-R by the Company, stating that the unpaid loan balance (including interest) is subject to income tax for the year when the default occurred. When you become eligible for a distribution of your account, the Plan will foreclose on your account by the amount of any outstanding loan balance.

If your employment terminated due to a company divestiture, you may be eligible to continue to make monthly loan repayments directly to CitiStreet, until the loan is scheduled to be paid off. You will continue to be subject to the original terms of the loan.

Loan Default While Actively Employed
If you do not repay a loan and it defaults, you will not be allowed to take another loan from The Boeing Company Voluntary Investment Plan, or any other savings plan maintained by the Boeing Controlled Group, until you pay the defaulted balance in full. Interest continues to accrue on defaulted loans until they are repaid. Loan defaults are a taxable event. If you default on a loan, it will be reported to the IRS. You will be issued a Form 1099-R by the Company, stating that the unpaid loan balance (including interest) is subject to income
tax for the year when the default occurred. The Plan will foreclose on your account by the outstanding amount of your defaulted loan when you terminate employment and become eligible to take a distribution of your account.

Your loan could default for one of two reasons: (1) an outstanding balance remains 30 days after the scheduled payoff date, or (2) payment has not been made within 90 days from the last payment.

**Paying Off Your Loan Early**

You also may prepay, without penalty, your outstanding loan balance plus one month of additional interest in one lump-sum payment. You must make this payment no earlier than 30 days after the date your loan was originally made.

*Important note: Retired participants, former participants, beneficiaries of deceased participants, and alternative payees are not eligible to take loans from the Plan.*

**Withdrawals**

There may be times when you want to withdraw all or a portion of your savings account before you reach retirement or your employment ends. The Plan allows the following types of withdrawals while you still are working for the Boeing Controlled Group:

- Age 59½ withdrawals.
- Aftertax withdrawals.
- Withdrawal of rollover account.
- Employer matching withdrawals.
- Hardship withdrawals.

Please note that a 10 percent early withdrawal penalty tax applies to the taxable portion of most withdrawals that are taken before age 59½. This 10 percent Federal penalty tax is in addition to Federal (and state, if applicable) income taxes that are withheld from the taxable portion of any withdrawal you take. In addition, in-kind (stock) withdrawals may have net unrealized appreciation calculated at the time of the withdrawal; for details, see “Tax Implications,” beginning on page 40.

When you request a withdrawal, through Boeing Savings Plans Online or by calling the Boeing Savings Service Center through Boeing TotalAccess, funds are withdrawn proportionally from your investment selections. You also may specify from which investment funds you want to withdraw. If you want a withdrawal from the Boeing Stock Fund, you also can request to withdraw a certain number of shares, a percentage of a fund balance, or a dollar amount.

You have the option to have your withdrawal direct deposited to your account at any financial institution, or you can have the withdrawal paid by check and mailed to your home address. You may set up your banking information for direct deposit on your account through Boeing Savings Plans Online or through a Boeing Savings Service Center representative. This must be done at least seven calendar days before your withdrawal request.

References in this section to making withdrawals of any kind do not apply to retired participants, former participants, beneficiaries of deceased participants, or alternate payees.

**Age 59½ Withdrawals**

You are allowed to withdraw some or all of your aftertax contributions made before January 1, 1987, aftertax contributions made after December 31, 1986, and a pro rata share of investment earnings, rollover aftertax and rollover pretax accounts, pretax account
(includes catch-up), employer matching account, employer profit-sharing account, and aftertax and pretax contributions and earnings subject to spousal consent contributions once you are age 59½.

If you are not making a direct rollover to an IRA or another qualified plan, 20 percent of the taxable portion of your withdrawal will be withheld for Federal income taxes. Applicable state taxes, if any, also will be withheld. However, the 10 percent early withdrawal penalty tax will not apply.

Your employer matching contributions will not be suspended after an age 59½ withdrawal if you continue to make contributions to the Plan.

**Aftertax Withdrawals**

You may request an aftertax withdrawal anytime. You have several choices of how you receive your withdrawal amount. You can take the total available withdrawal amount or partial amounts.

If you are not making a direct rollover to an IRA or another qualified retirement plan, 20 percent of the taxable portion (i.e., investment earnings) of your withdrawal will be withheld for Federal income taxes. Applicable state taxes, if any, also will be withheld.

Your employer matching contributions will not be suspended after a withdrawal of aftertax contributions if you continue to make contributions to the Plan.

**Withdrawal of Rollover Account**

You may withdraw all or part of any rollover account you have made to the Plan at any time and for any reason. A rollover refers to pretax and/or aftertax balances that are transferred from a previous qualified employer plan (including 401[a], 401[k], employer 403[b], and governmental 457 plans) or from a traditional, SEP, or conduit IRA.

The money you withdraw from your rollover account will be taken from your account in the following order:

1. Rollover aftertax account.
2. Rollover pretax account.

If you are not making a direct rollover to an IRA or another qualified retirement plan, 20 percent of the taxable portion of your withdrawal will be withheld for Federal income taxes. Applicable state taxes also will be withheld. In addition, a 10 percent early withdrawal penalty may apply to the taxable portion of your withdrawal.

Your employer matching contributions will not be suspended after a withdrawal of your rollover pretax and aftertax account if you continue to make contributions to the Plan.

**Withdrawal of Employer Matching Account**

You may withdraw your employer matching contributions and earnings before age 59½ as long as you have completed five or more years of service.

If you are not making a direct rollover to an IRA or another qualified retirement plan, 20 percent of the taxable portion of your withdrawal will be withheld for Federal income taxes. Applicable state taxes, if any, also will be withheld. In addition, a 10 percent early withdrawal penalty may apply to the taxable portion of your withdrawal.

Your contributions to the Plan will continue unless you request that payroll deductions stop. However, your future employer matching contributions will stop during the six months after the withdrawal unless you are over age 59½ when your withdrawal is made. Employer matching contributions automatically will begin after the six-month period if you are actively contributing at that time.
**Hardship Withdrawal**

Because of the significant tax advantages you receive when you make pretax contributions to the Plan, Federal tax law limits your ability to withdraw pretax funds while you are employed with the Boeing Controlled Group and before you are age 59½. You can request a withdrawal before age 59½—known as a hardship withdrawal—when you experience certain defined financial emergencies.

**Eligible Hardship Emergencies**

You may apply for a hardship withdrawal to help alleviate one or more of the following financial needs:

- Expenses for unreimbursed medical care (described in Internal Revenue Code Section 213d, as amended) previously incurred by you, your spouse, or any of your dependents (described in Internal Revenue Code Section 152, as amended).
- Costs directly related to the purchase of your primary residence (excluding ongoing mortgage payments).
- Payment of tuition, related educational fees, and room and board expenses for the next 12 months of postsecondary education for you or your spouse, children, or dependents.
- Payments necessary to prevent your eviction from your principal residence or foreclosure on the mortgage on your principal residence.
- Funeral expenses for an immediate family member.
- Repairs of your principal residence.
- A leave without pay or if you are otherwise absent from work without pay for 15 consecutive business days or more.
- A lump-sum child support payment (by court order only).
- Past due Federal or state taxes (by Federal or state notice only).

**Applying for a Hardship Withdrawal**

To apply for a hardship withdrawal, print the package from the Forms section of Boeing Savings Plans Online or request one by calling the Boeing Savings Service Center through Boeing TotalAccess. Complete and submit all forms to the Boeing Savings Service Center according to the instructions on the form.

If you have one or more of the financial needs described in the previous section that cannot be met by any other financial resource, you must first do the following before applying for the hardship withdrawal:

- Stop all contributions to the Plan (if discontinuing contributions could satisfy the financial hardship).
- Apply for funds to meet your expenses from a commercial lender, unless the loan would cause a financial hardship.
- Obtain, in most cases, all available loans from all plans (including this Plan and any other savings plan maintained by the Boeing Controlled Group) for which you are eligible, unless the loan itself would cause a heavy financial hardship.
- Withdraw all of your aftertax, employer matching, and rollover contributions (plus earnings) available under the Plan’s other withdrawal options or under the withdrawal options of any other savings plans maintained by the Boeing Controlled Group in which you may be eligible to receive a withdrawal.
- Provide documentation to the Boeing Savings Service Center that supports the need for a hardship withdrawal.
• Certify the financial resources that are available to you, your spouse, and your minor children.
• Certify that the financial need cannot be met through other sources, including loans and the reasonable liquidation of other assets.

If you satisfy these conditions and qualify for a hardship withdrawal, you may withdraw only up to the amount needed to satisfy your financial need. You also may request an additional amount to cover Federal and state tax withholding. In most cases, you will owe regular income taxes on the taxable portion of the money withdrawn plus a 10 percent early withdrawal penalty. You also may owe state income taxes.

The money you request for a hardship withdrawal will be taken from your account in the following order, to the extent not already withdrawn under other provisions of the Plan:
• Aftertax contributions made before January 1, 1987.
• Aftertax contributions made after December 31, 1986 and a pro rata share of investment earnings.
• Rollover aftertax account.
• Rollover pretax account.
• Pretax contributions (including pre-1989 associated investment earnings only for participants whose assets transferred to this plan from a defined contribution plan maintained by McDonnell Douglas Corporation), includes catch-up contributions.
• Employer matching account (including associated earnings).
• Employer profit-sharing account.
• Aftertax contributions and pretax contributions (including pre-1989 associated investment earnings) held in the MDC East Savings Transferred account or MDC West Savings Transferred account, subject to spousal consent.

If you take a hardship withdrawal, your contributions to the Plan will continue unless you request that payroll deductions stop. However, your future employer matching contributions will stop during the six months after the withdrawal. Employer matching contributions will begin automatically after the six-month period if you are actively contributing at that time. Hardship withdrawals are not eligible for rollover to an IRA or a qualified retirement plan.

Taking a Distribution When You Leave or Retire From the Boeing Controlled Group

If you leave or retire from The Boeing Company (or another member of the Boeing Controlled Group), you will have several choices for accessing your Plan funds. You may be able to
• Defer receipt of your account balance subject to minimum distributions that must begin after you reach age 70½.*
• Receive a partial distribution (withdrawal), with the balance of your account remaining in the Plan.
• Receive installment distributions (scheduled monthly, quarterly, semiannually, or annually), with the balance of your account remaining in the Plan.
• Purchase a commercial period certain annuity.
• Roll over your account into another qualified employer plan or IRA. (For more information, see page 37.)

*Updated January 2009
• Receive a total, in-kind distribution of some or all of the Boeing stock in your Boeing Stock Fund account, to the extent that your account is invested in the Boeing Stock Fund. (“In-kind” means receiving the actual stock certificate and maintaining ownership of the shares.)
• Receive a total distribution in cash.

If you elect to take your distribution as a total distribution or partial distribution or as installments with a payment period of less than 10 years, there will be a mandatory 20 percent withholding for Federal income tax purposes on the taxable portion of your distribution. In addition, applicable state taxes will be withheld. Generally, you also will be subject to a 10 percent early withdrawal penalty if you are under age 59½, unless you roll over the money into another qualified employer plan or IRA. (Exceptions to the 10 percent penalty may apply; for details, call the Boeing Savings Service Center through Boeing TotalAccess and speak to a savings representative.)

Soon after you retire or terminate your employment, you will receive a package of information and forms to complete, which will assist you in choosing an appropriate distribution option. This termination package also is available through Boeing Savings Plans Online, and you can request one by calling the Boeing Savings Service Center through Boeing TotalAccess. Distribution requests will not be processed until 15 days after you have terminated your employment with the Boeing Controlled Group. This ensures that final contributions and loan repayments have been posted to your account.

To receive some or all of your distribution as an in-kind distribution of Boeing stock, you must request a distribution in shares through Boeing Savings Plans Online or by calling the Boeing Savings Service Center through Boeing TotalAccess. The number of shares you receive will be determined by dividing your balance in the Boeing Stock Fund by the closing price of Boeing stock on the date your distribution is processed. (The closing price is the price of Boeing stock on the New York Stock Exchange as of 4 p.m. Eastern time on your distribution date.) You will receive your distribution in whole shares; the value of fractional shares will be paid by check.

**Uniformed Service**

If your employment terminates because you enter the U.S. armed forces, you may request a distribution of your savings account after your termination.

If you take unpaid leave for uniformed service (including the military, National Guard, and the Commissioned Corps of the Public Health Service) and you have reemployment rights under the Uniformed Services Employment and Reemployment Rights Act (USERRA), you may make retroactive pretax and/or aftertax contributions once you are reemployed. You choose the amount to contribute (within Plan limits), and if applicable, the employer matching contributions will be determined as if you had remained employed throughout your leave.

In addition, if you were eligible to receive employer profit-sharing contributions, retroactive employer profit-sharing contributions will be made to your account automatically when you return to active status. You must meet the requirements of USERRA, including notice to your employer, and return to employment and make your pretax and/or aftertax contribution within the prescribed time periods. For more information about uniformed service leaves and your rights under USERRA, call the Boeing Savings Service Center through Boeing TotalAccess and speak to a savings representative.

If you have an outstanding loan, your loan repayments will be suspended during your military leave. For more information, see “Loan Repayments,” beginning on page 31.
Rollovers to an IRA or Another Qualified Plan

You may elect to have all or a portion of your savings account from certain eligible Plan distributions and withdrawals rolled over directly to an IRA or another qualified employer plan. Direct rollovers to other plans are subject to acceptance by the trustee of the other employer’s plan. It is especially important to receive confirmation from the other employer plan trustee that they can accept the rollover if you want to roll over Boeing Stock certificates or after-tax contributions.

You can make your rollover request through the Boeing Savings Plans Online web site or by calling the Boeing Savings Service Center and speaking with a savings representative. For more information on how to request a rollover, access the termination package in the Forms section of Boeing Savings Plans Online or call the Boeing Savings Service Center through Boeing TotalAccess.

Mandatory Federal income tax withholding (at a rate of 20 percent) and applicable state tax will be applied to the taxable portion of eligible Plan distributions that are not rolled directly to an IRA or another qualified employer plan. In addition, a 10 percent penalty tax may apply if you are under age 59½ at the time of your distribution.

Account Statements

A personalized, annual account statement will be mailed to your home address each January. The statement will show your account activity for the previous calendar year, including account contributions, investment earnings (including any gains and losses), loan and withdrawal activity and your beginning and ending account balance. In addition, you can call the Boeing Savings Service Center through Boeing TotalAccess anytime to request a detailed account statement for the previous month or quarter.

You also can print customized account statements anytime through Boeing Savings Plans Online. With online statements, you can

- Request a statement for a specified date range within the past 18 months.
- Save your preferred date range for future statement requests.
- Customize which sections of your statement you want displayed.
- Print a copy of your statement for your records.

You are encouraged to keep your account statements with your other important financial documents in case you ever need to refer to them.

Distribution of Your Account if You Die

In the event of your death, your valid beneficiary will be entitled to the full value of your entire account, including applicable employer matching and profit-sharing contributions your account may contain. Death benefits generally are payable as a total distribution as soon as administratively possible after your death.

A sole beneficiary may be eligible to defer receipt of your account balance, and he or she may direct the investment of your account following your death. If your beneficiary defers receipt, he or she must name a beneficiary to receive the benefit in the event he or she dies before receiving the benefit.

Multiple beneficiaries are not eligible to defer receipt of your account balance. Therefore, the account will be divided according to the designation and paid to each beneficiary in a lump sum as soon as administratively possible after your death.
If your beneficiary is either a sole individual (such as your spouse or child) or an estate, or trust, the account balance automatically will remain in the Plan until the beneficiary requests payment. The beneficiary must complete and submit the appropriate total distribution request form no later than the maximum period permitted by Federal regulations.

Benefits will remain in the plan for the time period permitted by law or, if earlier, until a payment is requested. If the beneficiary is your surviving spouse, Federal law currently permits a spouse to leave the benefit in the Plan until the later of

- December 31 of the year in which you otherwise would have reached age 70½.
- December 31 of the year in which the fifth anniversary of your death occurs.

A sole beneficiary other than your spouse may leave the money in the Plan until December 31 of the year in which the fifth anniversary of your death occurs.

If the initial beneficiary of your savings account dies before receiving payment, his or her beneficiary may leave the money in the Plan under the following guidelines:

- If the initial beneficiary was your spouse, your spouse’s sole surviving beneficiary may leave the money in the Plan until December 31 of the year in which the fifth anniversary of the date of your spouse’s death occurs.
- If the initial beneficiary was someone other than your spouse, his or her sole surviving beneficiary may leave the money in the Plan until December 31 of the year in which the fifth anniversary of the date of your death occurs.

If the initial sole beneficiary of your savings account designates multiple beneficiaries and dies before receiving payment, benefits will be payable in a total distribution to each designated beneficiary as soon as administratively possible.

If you are receiving installment payments at the time of your death, they will be discontinued. Installment payments are not an option for beneficiaries.

If you have an outstanding loan when you die, your outstanding loan balance will be considered a distribution to your estate. Your estate will be responsible for taxes owed on the taxable portion of the distribution. Beneficiaries should consult with their own attorney, or their financial or tax adviser.

**Qualified Domestic Relations Orders**

Federal law generally protects your benefits under the Plan from assignment and transfer to others. However, the Retirement Equity Act of 1984 specifically provides that this protection does not apply to a qualified domestic relations order (QDRO). A QDRO is a judgment, decree, or order that relates to divorce decrees, property assignments, and child support orders. If a court order of this type is received, you will be advised in writing.

For more information regarding QDROs, please call the Boeing Savings Service Center through Boeing TotalAccess. You can obtain a copy of the Plan’s general procedures governing QDROs, without charge, by writing to the Employee Benefit Plans Committee, which may be reached at The Boeing Company, 100 North Riverside, MC 5002-8421, Chicago, IL 60606-1596.

**Change of Address**

Most information about the Plan is mailed to your home address, so it is important that you keep your home address information updated. Checks and stock certificates also are mailed to your home address.
If your address changes, you must change it through Boeing TotalAccess on line or by telephone. To change your address on line, go to Boeing TotalAccess on the Boeing Web (https://my.boeing.com). To change your address by telephone, call Boeing TotalAccess; you will need your BEMS ID number (or Social Security number) and Boeing TotalAccess password.
Tax Implications

The Plan offers participants a variety of tax advantages. By contributing to the Plan on a pretax basis, you are able to defer taxes on certain income, including your pretax contributions, employer matching contributions, employer profit-sharing contributions, and any investment earnings. When you contribute on an aftertax basis, you can defer taxes on any investment earnings, employer matching contributions, and employer profit-sharing contributions.

In either case, the applicable taxes are deferred, not canceled. This means that you will be subject to taxes later when funds are distributed to you. However, at that time, you may be either in a lower tax bracket or eligible for additional favorable tax options, such as an IRA rollover, or special long-term capital gains tax treatment (if you were born before 1936).

If you elect to take an in-kind distribution of Boeing stock, you will not have to redeem any stock shares to cover the automatic 20 percent withholding. However, if you receive both stock and cash, 20 percent of the total taxable value—from both stock and cash—will be withheld from the cash portion of your distribution.

Taxation of Company Stock

If you receive a distribution from the Plan that includes an in-kind distribution of Boeing common stock, special Federal income tax rules may apply. These rules vary depending on whether the shares of stock you receive are attributable to your aftertax contributions or to your pretax, employer matching, or employer retirement contributions. The tax treatment also varies depending on whether you are taking a partial distribution or a single lump-sum distribution.

Generally, under certain circumstances, special tax treatment is available for what is called net unrealized appreciation (NUA). NUA is the appreciation in the value of the stock at the time you receive it over the cost of the stock to the Plan. The cost of the stock to the Plan is known as the cost basis and is determined according to the Plan’s accounting method. In other words, cost basis plus NUA equals the value of the Boeing stock you receive on the date of distribution.

Special tax treatment is available for NUA only for Boeing stock received under one of the following two circumstances:

• The stock is attributable to your aftertax contributions or rollover aftertax contributions.

• The stock is attributable to pretax (includes catch-up), employer matching, employer profit-sharing, and rollover pretax contributions, and it is received as part of a lump-sum distribution from the Plan.

If the shares of stock you receive are attributable to aftertax or rollover aftertax contributions, you will not be taxed immediately on the NUA. You will only be taxed on the appreciation when you sell the stock; when you do, the tax will be at capital gains tax rates at that time. The advantage of capital gains rates is that they usually are lower than ordinary income tax rates.

If the shares of stock you receive are attributable to pretax contributions (includes catch-up), employer matching contributions, employer profit-sharing contributions, or rollover pretax contributions, and if the stock is received as part of a lump-sum distribution, you also will not be taxed immediately on the appreciation in value of the stock when you receive your distribution. Rather, you will be taxed on that appreciation when you sell the stock.
Conversely, if you receive shares of Boeing stock that are attributable to your pretax contributions (includes catch-up), employer matching contributions, employer profit-sharing contributions, or rollover pretax contributions but your distribution does not qualify as a lump-sum distribution, you will not be eligible for this special tax treatment on the appreciation of that stock.

For this purpose, a lump-sum distribution means a single distribution received within one calendar year on or after the time you reach age 59½ or after you are no longer employed by Boeing and consisting of the entire balance of your account in the Plan and all other profit-sharing plans maintained by the Boeing Controlled Group.

If you are eligible to exclude the NUA on Boeing stock at the time you receive a distribution from the Plan, this appreciation will generally be taxed at capital gains rates when you eventually sell the stock. Under certain circumstances, however, you may instead elect not to have this treatment apply to the NUA if you make a special tax election. In addition, when you sell the stock, if there is appreciation in excess of the NUA you received at the date of distribution, this additional appreciation may be taxed at applicable capital gains rates, depending on how long you have held the stock.

If you later sell the stock for less than your cost basis, you may realize a loss for tax purposes at that time. You do not realize a tax loss just because the Plan distributes stock to you with a value less than its cost basis at the time of distribution.

For example, assume you made pretax contributions to the Plan and invested them in the Boeing Stock Fund. Also assume that when the Boeing stock was contributed to your account, it was worth $1,000. You now receive an in-kind distribution of stock worth $1,400 as part of a distribution that qualifies as a lump-sum distribution. You will be taxed on the $1,000 cost basis in the stock at ordinary income rates at the time of distribution, and you may defer paying tax on the $400 gain until you later sell those shares. If the shares are worth $1,700 when you sell them, the $400 of NUA would be taxed at capital gains rates, and the additional $300 of gain would be taxed according to how long you held the stock since the time of distribution.

Alternatively, if you had the same cost basis and NUA as described above but your stock distribution was not part of a lump-sum distribution, you would be taxed on the full $1,400 at ordinary income tax rates at the time of distribution. If you eventually sold the stock for $1,700, you would only be taxed on the additional $300 of gain earned between the date of your Plan distribution and the date of sale (because you already paid tax on the original $1,400).

Income tax laws and regulations are complex and change frequently. You should seek competent tax advice when receiving a distribution from your account, especially when that distribution may include Boeing stock.

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Claims Review and Appeal Procedure

In general, if you have an issue regarding your Plan account or your right to receive benefits under the Plan, this often can be resolved by calling the Boeing Savings Service Center through Boeing TotalAccess and discussing the situation with a savings service representative. If the issue is not resolved through an informal process, you may file a formal claim.

The Plan has established the following procedures for initiating a formal claim and appeal of denied benefits under the Plan described in this booklet.

For instructions on how to submit a formal claim for benefits, please call the Boeing Savings Service Center through Boeing TotalAccess. You will receive a written response within 90 days of the Plan Administrator receiving the claim. If special circumstances require more time, the review period may be extended for up to an additional 90 days. You will be notified in writing of this extension.

If your claim is denied, you will be notified in writing. This notice will include

- The specific reasons for the denial.
- A reference to the specific Plan provisions on which the claim determination was based.
- A description and explanation of any additional information that is needed to process your claim.
- A description of the Plan’s review procedures and the applicable time limits.
- A summary of your rights to take legal action.

If you have a question concerning this denial or would like additional information, call the Boeing Savings Service Center through Boeing TotalAccess.

You or a person you appoint may appeal a denial of benefits by writing to the Employee Benefit Plans Committee at The Boeing Company, 100 North Riverside, MC 5002-8421, Chicago, IL 60606-1596, within 60 days of receiving notice of the denial or partial denial of Plan benefits. If an appeal of an adverse benefit determination is not made within 60 days of receipt of such benefit determination notice, the claimant will be deemed to have waived his or her right for review. Upon request, you will be provided with reasonable access to any information that was relevant to your claim.

In your appeal, you must

- State, in writing, why you believe the claim should have been approved.
- Submit any information and documents you think are appropriate.
- Send the appeal and any supporting documentation to the Employee Benefit Plans Committee.

The Committee will review your appeal, render a decision, and notify you of its decision within 60 days of receipt of your appeal. If special circumstances require more time, the review period may be extended for up to an additional 60 days. You will be notified in writing of this extension.
If your appeal is denied, in whole or in part, the Committee will send you a notice that will include
• The specific reasons for the denial.
• A reference to the specific Plan provisions on which the determination was based.
• A summary of your right to additional appeals or legal action.
• A statement of your right to obtain, free of charge, copies of documentation relevant to the decision.

If the Committee makes an adverse benefit determination on appeal, you may bring a civil action under section 502(a) of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Any action must be commenced within 180 days following the decision on appeal of your initial claim for benefits (or following the last date for filing an appeal, if no appeal is taken). For initial claims filed before January 1, 2005, any action must instead be commenced within two years of the date of your initial claim for benefits.

Benefits will be paid under the plan only if the Committee decides in its discretion that you are entitled to them.

It is the Committee’s exclusive right to interpret the terms of the Plan to resolve eligibility for benefits, and exercising its discretion, to resolve all questions arising under the Plan. The decision of the Committee is final and binding.

Plan Termination

The Boeing Company fully intends to continue the Plan indefinitely. However, the Company may, at its discretion, terminate the Plan.

Because the Plan is a defined contribution plan, benefits are not insured under Title IV of ERISA. If the Plan should terminate, however, you would receive the balance of your account (including investment gains or losses).
Approved Companies and Subsidiaries

The following are approved Companies whose employees (except those in collective bargaining units not covered by the Plan) are qualified to participate in the VIP:

• The Boeing Company
• Airspace Safety Analysis Corporation
• Alteon Training LLC
• Boeing Aerospace Operations, Inc. (“BAO”) (except for nonunion employees who are both: [1] dedicated strictly to a BAO training or maintenance business and [2] dedicated to a single sustainment program [as defined in Boeing procedure PRO-4041])
• Boeing Business Services Company
• Boeing Capital Corporation
• Boeing International Corporation
• Boeing–Oak Ridge Co.
• Boeing Operations International, Inc.
• Boeing Realty Corporation
• Boeing Satellite Systems, Inc.
• Boeing Service Company
• Boeing Travel Management Company
• Jeppesen DataPlan, Inc.
• Jeppesen Sanderson, Inc.
• McDonnell Douglas Corporation
Special Disclosure Information

Plan Name
The name of the Plan is The Boeing Company Voluntary Investment Plan. It is commonly referred to as the “Plan.”

Employer and Plan Sponsor
The Plan is sponsored by The Boeing Company. The Company is located at 100 North Riverside, MC 5002-8421, Chicago, IL 60606-1596.

Plan Administrator and Agent for Service of Legal Process;
Limitations on Actions
The Plan Administrator is the Employee Benefit Plans Committee, The Boeing Company, 100 North Riverside, MC 5002-8421, Chicago, IL 60606. Legal process may be served upon the Committee at Employee Benefit Plans Committee, The Boeing Company, c/o United States Corporation Company of Illinois, 33 North LaSalle Street, Chicago, IL 60602.

Legal process also may be served upon the Plan Trustee at the address listed on page 48. If you would like to commence a lawsuit against the Plan with respect to a denied benefit, you must do so within 180 days following the decision on appeal of your initial claim for benefits (or following the last date for filing an appeal, if no appeal is taken). If your initial claim was filed before January 1, 2005, your lawsuit must instead be filed within two years of the time that you made your initial claim for benefits. A lawsuit that does not meet these deadlines will be considered untimely.

Type of Administration
The Boeing Company has contracted with CitiStreet, acting through its Retirement Investment Services Division, to assist with administration of the Plan. CitiStreet is a 50-50 joint venture that includes State Street Corp. (NYSE: STT) and Citigroup (NYSE: C).

Type of Plan
The Plan is a qualified defined contribution profit-sharing plan.

Contributions and Funding
Eligible employees may contribute up to 20 percent of base pay (15 percent if the employee is represented by a union that has not yet bargained for the 20 percent maximum) in increments of 1 percent. Employer matching contributions and employer profit-sharing contributions also may apply; for information about the employer matching and profit-sharing contributions that may apply to you, see the eligibility notice or cover letter you received with this summary plan description booklet. You also can request a summary plan description and summary plan description confirmation notice or cover letter by calling the Boeing Savings Service Center through Boeing TotalAccess. The notice is considered part of the summary plan description, and you should file it with this booklet for future reference.

Reasonable fees may be charged to an employee’s account for certain options under the Plan such as loan application fees. Investment management fees also are charged to each investment fund.
Necessary and proper expenses of administration of the Plan are paid from assets of the trust fund except for those expenses that The Boeing Company is required by law, or chooses, to pay. Brokerage fees incurred in the purchase or sale of securities are charged to the investment fund in which the transaction occurred. Fees charged by the Trustee for supervision and administration of Plan assets are charged to the investment fund to which such fees are properly allocable. Any expenses charged by an insurance company under the provisions of a group annuity contract are charged to the investment fund that holds the group annuity contract.

**Loss of Benefits**

Although you may be fully vested in your benefits under the Plan, there are circumstances in which you may lose those benefits. Generally, a loss of all or some of your benefits may occur under any of the following circumstances:

- Limitations and taxes imposed by the Internal Revenue Code apply to your benefits.
- You are subject to a QDRO, as described on page 40.
- Your account suffers losses as a result of investment performance.

**Top-Heavy Provision**

The Plan currently provides coverage to all employees who meet the eligibility requirements. Although the provisions of the Plan do not discriminate in favor of any class of employees covered under the Plan, Federal regulations require that the Plan include provisions that would take effect in the event the Plan were ever to become “top heavy.”

**Plan Records**

Plan records are kept on a calendar-year basis (January 1 to December 31).

**Plan Number and Employer Identification Number**

The Plan number assigned by the Company pursuant to instructions by the U.S. Department of Labor is 002. The employer identification number for The Boeing Company is 91-0425694.

**Plan Trustee**

The Plan Trustee is State Street Bank and Trust Company, c/o CitiStreet—Boeing Savings Plan Administration, P.O. Box 5166, Boston, MA 02206-5166.

**Participant Protections Under ERISA**

The Employee Retirement Income Security Act of 1974 (ERISA), as amended, guarantees certain rights and protections to participants of plans such as the Plan. ERISA provides that all participants will be entitled to:

**Receive Information About Your Plan and Benefits**

- You may examine, without charge, at the Plan Administrator’s office and at other specified locations, such as work sites with 50 or more participants and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
• If you want a personal copy of these documents or related material, send a written request to the Plan Administrator. You can obtain copies of documents governing the operation of the Plan, including insurance contracts collective bargaining agreements, copies of the latest annual report (Form 5500 Series), and updated summary plan descriptions. You will be charged a reasonable cost.

• You may receive a summary of the Plan’s financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

• You may obtain a statement telling you (1) the amounts credited to your account under the Plan and (2) the total amount you would receive if your employment terminated now. This statement must be requested in writing and is not required to be given more than once a year. The Plan Administrator must provide the statement free of charge.

**Prudent Actions by Plan Fiduciaries**

In addition to creating rights for participants, ERISA imposes duties on the people who are responsible for operating the Plan. The people who are responsible for operating the Plan are called fiduciaries. Fiduciaries have an obligation to administer the Plan prudently and to act in the interest of you and other Plan participants and beneficiaries. No one, including your employer, union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from receiving benefits or exercising your rights under ERISA.

**Enforce Your Rights**

If you believe you are eligible for benefits from the Plan, you should follow the appropriate steps for filing a claim. If your claims are denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. If your claim is denied, you will receive a written explanation of the reasons for the denial. You will have the right to have the Plan review and reconsider your claim. For a description of review and appeal procedures and time schedules, see pages 44 and 45.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If your claim for benefits is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court.

If it should happen that the fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

**Assistance With Your Questions**

If you have any questions about the Plan, contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee
Definitions

*Actively managed fund* A fund in which the fund manager selects individual securities in an attempt to outperform a corresponding market index. Actively managed funds are more volatile than index funds, which means that returns can move significantly higher or lower than the market as a whole.

*Asset* Anything you own that has a monetary value, such as stocks, bonds, cash, or other investments.

*Asset allocation* Dividing your investment portfolio among different asset classes.

*Asset classes* Different types of investments such as stocks, bonds, and cash.

*Base pay* An employee’s base wage from the Company paid during the Plan year, including shift differential and excluding any overtime pay, instructor pay, other bonuses, per diem, special assignment premium pay, location allowances, incentive compensation awards, or any other payment.

*Benchmark (also referred to as an index)* An industry-standard method to measure the overall performance of specific types of investments. Used to compare performance of different mutual funds within a particular investment category.

*Boeing Controlled Group* The Boeing Company and all affiliates and subsidiaries.

*Boeing Savings Plans Online* The World Wide Web site of the Boeing Savings Service Center, where Plan participants can view account information, perform transactions, request information, and learn about the Plan. For instructions on how to access Boeing Savings Plans Online, see “Where to Get Information,” on page 55.

*Bonds* Used by corporations or governments to raise money. When you buy a bond (or invest in a bond fund), you are loaning money to the bond issuer in exchange for interest payments over a specified period of time.

*Bond fund* A fund managed by an investment company that invests primarily in fixed-income securities such as government, corporate, or mortgage bonds.

*Business day* A day on which the New York Stock Exchange is open.

*Capital* An asset that can generate income.

*Capital gain (also referred to as capital appreciation)* The profit you make when you sell an investment for more money than you paid for it.

*Capitalization (also referred to as market capitalization or shareholder value)* Basically, this is the market value of a company’s outstanding shares. Capitalization is calculated by multiplying the total number of outstanding shares by the stock price. Large-capitalization companies (large-cap companies) are those with capitalizations of more than $1 billion. Small-capitalization companies (small-cap companies) typically are those with a market capitalization of less than $1 billion.

*Cash and cash investments* Relatively stable investments that can be changed easily into currency such as Treasury bills or short-term bonds.

*Catch-up contributions* An additional pretax contribution that you can make, if you are age 50 or older by the end of the calendar year. For more information, see page 14.

*Certificate of deposit (CD)* Used by banks, savings and loans, or other financial institutions to raise money. You loan money to a bank, and in exchange, the bank promises to pay you a specific rate of interest over a defined period of time and return your principal when the CD matures.
Commingled funds  A pool of professionally managed investments available to pension and 401(k) savings plans.

Common stock  The basic unit of ownership in a corporation.

Company  The Boeing Company.

Currency risk  The risk of action by the government or marketplace to reduce the value of a currency in relation to the currencies of other nations.

Current income  The regular interest or dividend payments received from an investment.

Diversification  Dividing your investments among different types of securities, industries, risk categories, and companies.

Dividend  A distribution of cash or stock to shareholders out of the accumulated profits of a company.

Equity  Another term for stock.

Employer matching contributions  A contribution that an employer makes on behalf of certain employees based on a percentage or amount an employee is contributing to the Plan. This type of employer contribution is only made to an employee’s account when he or she also is contributing to the Plan. For more information about employer matching contributions, see page 16.

Employer profit-sharing contributions  A contribution that an employer makes on behalf of certain employees, regardless of whether employees contribute to the Plan or not. For more information about employer profit-sharing contributions, see page 16.

ESOP  Employee Stock Ownership Plan. For more information see page 26.

Fair value  A consensus estimate, often by a fund’s management team, of what a company’s shares are worth based on a thorough analysis of company fundamentals and its prospects for future growth.

Fixed-income security  A security that pays a specified rate of income every year for a specified period of time such as a bond or Treasury bill or note.

Growth company  A company that is just starting to show or already has shown accelerating earnings with the potential to continue showing strong earnings growth into the future.

Guaranteed investment contract (a GIC or stable value investment)  An investment contract with a financial institution that promises to pay a specified rate of interest for a defined period and provides an ongoing guarantee of the principal value invested.

Index  See market index.

Index fund  A fund that invests in the exact same securities, or a representative sampling of the same securities, as a specific index in an effort to match the total return of the index.

In-kind distribution  Payment in Boeing common stock for either a partial or total distribution from the Boeing Stock Fund. If you receive an in-kind distribution, you will receive an actual stock certificate and maintain ownership of the shares.

Large company (also referred to as large cap, or large capitalization, company)  An established company with a market capitalization of $1 billion or more.

Lifecycle fund  A comprehensive fund that is diversified among broad types of asset classes. The fund is automatically adjusted over time to gradually become more conservative as the year approaches when the investor expects to need their money.

Liquidity  A measure of how easy it is to sell a security at full market value and get your money. Cash investments are very liquid, whereas stocks may be less so.

Market capitalization  The total market value of a company, figured by multiplying the stock price by the total number of shares outstanding.
**Market index** A benchmark that tracks the total return for a particular asset class, giving you a way to measure the relative performance of a particular investment or fund. For example, the S&P 500 Index is used for large company stocks; the Russell 2000 Index is used for small company stocks; the Europe, Australia, Far East Index (EAFE) is used for international stocks; and the Lehman Brothers Aggregate Bond Index is used for bonds. These are a few of the many indexes available.

**Money-market instrument or security** An investment in short-term corporate or government debt that pays a specified rate of interest for a period generally shorter than one year.

**Mutual fund** A fund managed by an investment company that combines money from many individual investors and invests in a portfolio of specific securities in an effort to achieve a particular investment goal.

**Net asset value (NAV)** The value of one share of a mutual fund. This is calculated by dividing the value of all the fund’s holdings by the number of shares in the fund, then deducting any investment management fees and expenses.

**Plan** The Boeing Company Voluntary Investment Plan.

**Plan Administrator** The Plan Administrator is The Employee Benefit Plans Committee, 100 N. Riverside, MC 5002-8421, Chicago, IL 60606. The telephone number of the Plan Administrator is 1-312-544-2297.

**Plan Year** The calendar year.

**Price to earnings ratio (P/E ratio)** The relationship of the market price to earnings, which indicates how much investors are willing to pay for $1 of earnings. The P/E ratio is the current share price divided by the earnings per share (not the dividends) for the most recent four consecutive quarters. This figure helps you determine whether a stock is selling at a low price relative to its earnings and can be a measure of a stock’s risk level. The higher the P/E ratio, the riskier the stock and the more expensive it is relative to its ability to provide high returns.

**Principal** The original amount of money deducted from your pay as employee contributions that are invested for you in a particular security or fund.

**Risk** Generally, the extent to which an investment’s value can go up and down, especially over short time periods. There are many different kinds of risk, such as market risk, interest rate risk, and inflation risk, but they all concern the chance for loss of principal or for accumulating returns that fall below a set goal.

**Security** A general term for any kind of investment such as stocks and bonds.

**Separate Account** Actively managed funds that are available only to participants in the Plan that offers them. The general public cannot invest in separate accounts. Separate accounts generally have potentially lower investment management fees.

**Share** Individual ownership of a unit of stock.

**Small company (also referred to as small cap, or small capitalization, company)** A company with a market capitalization of less than $1 billion.

**Spouse** A spouse means the legal spouse of a participant as recognized under both applicable state law and the Internal Revenue Code.

**Stable value fund** A fund that seeks to provide (1) income from interest payments or fixed-income investments and (2) protection against loss of principal by maintaining a share value that does not fluctuate as much or as often as that of a stock fund.

**Standard & Poor's 500 (S&P 500) Index** A commonly used index that represents the performance of the overall U.S. stock market.

**Stock** See common stock.
**Stock fund** A group of stocks that are managed as a single investment by an investment company.

**Total return** A measurement of how much your investment has gained or lost, plus the amount of any income or dividends earned, minus any costs such as sales charges or management fees; expressed as a percentage amount.

**Trading** Buying and selling securities.

**Value company** A company whose stock is selling at a low price relative to its historical share price and to other companies in the same industry.

**Volatility** A measure of how much an investment goes up and down in value.

**Yield** A measure of the income generated by a bond, figured by the amount of interest paid divided by the price of the bond.
Exhibit 3

Where to Get Information

Boeing Savings Service Center, Through Boeing TotalAccess

Telephone: Seven days a week, 24 hours a day*
1-866-473-2016**
TTY/TDD: 1-800-755-6363**

Representatives available:  
Boeing TotalAccess representatives:
8 a.m. to 9 p.m. Eastern time
7 a.m. to 8 p.m. Central time
6 a.m. to 7 p.m. Mountain time
5 a.m. to 6 p.m. Pacific time

Boeing Savings Service Center representatives:
9 a.m. to 9 p.m. Eastern time
8 a.m. to 8 p.m. Central time
7 a.m. to 7 p.m. Mountain time
6 a.m. to 6 p.m. Pacific time

Boeing Web: https://my.boeing.com
World Wide Web**: https://my-ext.boeing.com

Plan Trustee

Address: State Street Bank and Trust Company
c/o CitiStreet
Boeing Savings Plan Administration
P.O. Box 5166
Boston, MA 02206-5166

* Subject to minimum scheduled maintenance or downtime
** BEMS ID number (or Social Security number) and Boeing TotalAccess password required to access your account
Summary of Savings Plans Changes

VIP and BAO VSP Savings Plan Participants

This Update summarizes recent changes in Federal law (Pension Protection Act) and Plan changes that will affect your savings plan(s), and updates your summary plan description(s). The effective date of each change is March 1, 2007, unless otherwise noted.

The changes in this Update apply to the following plans:
- The Boeing Company Voluntary Investment Plan (Plan 002)
- BAO Voluntary Savings Plan (Plan 028)

This Update covers the following:
- Changes to fund redemption fees and trading restrictions
- Account (benefit) statement availability
- Importance of diversifying

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

Changes to Redemption Fees and Trading Restriction

These changes are effective the first business day after March 30, 2007.

All funds, including the Stable Value Fund and the Boeing Stock Fund, will charge a short-term redemption fee of 1.5 percent on units that are transferred out of a fund on a short-term basis. The redemption fee will be applied to the units sold on any transfer processed for 15 full calendar days beginning the day after the units have been purchased; transfers out of the fund must be made at least 16 full calendar days after the initial transfer into the fund to avoid the redemption fee. For this purpose, units held the longest will be treated as being sold first, and units held the shortest will be sold last. The redemption fees have no impact on your investment elections directing new contributions, loan payments, or rollover contributions.

Currently, most funds are subject to a 1.5 percent redemption fee on transfers out within 30 calendar days after transfers in. The new redemption fee rules are different in two ways: they will apply to all funds; however, the fee-restricted trading period will be reduced to 15 full calendar days. For example, you request a fund transfer on April 30 before 4 p.m. Eastern standard time. May 1 is the day the transferred money is actually invested in the new fund. Therefore, May 15 is the last day you would be subject to the redemption fee (15 days from the transfer). On May 16, you would no longer be subject to the redemption fee if you decide to transfer out of the fund.

The Boeing Stock Fund trading restriction, which restricts transfers of investments into the Boeing Stock Fund for 30 calendar days after transferring investments out of the Boeing Stock Fund, will no longer apply. You may transfer investments into or out of the Boeing Stock Fund on any business day; however, please be aware of the short-term redemption fee described above.
These changes are being made to comply with new Federal rules that require that restrictions on the Boeing Stock Fund be no different than restrictions on any other funds in the plan(s). For ease in understanding redemption fees, all funds will have a 1.5 percent fee. And to provide you with more flexibility in future investing, the short-term restriction is being shortened from 30 full calendar days to 15 full calendar days.

**Account (Benefit) Statements**

It is important to review your savings account(s) on an ongoing basis. You can print a personalized online account statement at any time. You can also make this request at any time by calling the Boeing Savings Service Center through Boeing TotalAccess.

Effective March 1, 2007, you can also make an election online to have quarterly paper statements sent to your home address at no cost to you. You are encouraged to keep your account statements with your other important financial documents in case you ever need to refer to them.

**Directions for Online Account Statements and Quarterly Paper Statements**

**On the Boeing Web:** Log on to https://my.boeing.com and click the TotalAccess tab.

**On the World Wide Web:** Log on to https://my-ext.boeing.com using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password.

1. From the Boeing Savings Plans Online home page, click the Select an Option drop-down menu and select the plan for which you would like a statement.

2. Click the My Statement tab.

   **To print an online statement:** Click Generate Statement and follow the directions.

   **To request a quarterly paper statement to be mailed to your home address:** Click Paper Statement Preferences (available March 1, 2007) and follow the directions.

**To Request Quarterly Paper Statements by Phone**

Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password.

1. Request Savings.

2. Once you are in the Boeing Savings Plans automated phone system, press the star key twice to request future quarterly statements from a customer service representative. Customer service representatives are generally available during business hours.

You can also request current and past quarterly statements be mailed to you at anytime.

**The Importance of Diversifying Your Retirement Savings**

To help achieve long-term retirement security, you should carefully consider the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform very well often cause another asset category, or another particular security, to perform poorly. If you invest more than 20 percent of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk.
In deciding how to invest your retirement savings, you should take into account all of your assets, including any retirement savings outside of the Plan. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk. Therefore, you should carefully consider the rights described in this notice and how these rights affect the amount of money that you invest in company stock through the Plan.

It is also important to periodically review your investment portfolio, your investment objectives, and the investment options under the Plan to help ensure that your retirement savings will meet your retirement goals. For more information on individual investing and diversification, visit www.dol.gov/ebsa/investing.html.

For More Information
Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to https://my.boeing.com and click the TotalAccess tab.
- **On the World Wide Web:** Log on to https://my-ext.boeing.com using your BEMS ID number (or your Social Security number) and your Boeing TotalAccess password.
- **By telephone:** Call 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMS ID number (or Social Security number) and Boeing TotalAccess password when you call.

### Plan Amendment Information
This Update is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- BAO Voluntary Savings Plan (Plan 028)

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

If there is a discrepancy between this Update and the Plan documents listed above, the Plan documents will control. Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents.
Summary of Savings Plan Changes
VIP and BAO VSP Participants

The changes in this Update are primarily clarifications that may affect you if you are considering a hardship withdrawal or have an outstanding loan.

This Update summarizes plan changes and clarifications that affect your savings plan(s) and updates your summary plan description(s). The effective date of each change is January 1, 2006, unless otherwise noted.

The changes in this Update apply to the following plans:
- The Boeing Company Voluntary Investment Plan (Plan 002)
- BAO Voluntary Savings Plan (Plan 028)

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The following sections apply to both The Boeing Company Voluntary Investment Plan (VIP) and the BAO Voluntary Savings Plan (BAO VSP).

Hardship Withdrawal Information
You can apply for a hardship withdrawal to cover one or more of the financial needs allowed in the VIP and/or BAO VSP (see your summary plan description for more details). Before applying for a hardship withdrawal, you must first take all withdrawals available to you from the Plan, including any of the following types of withdrawals:
- Aftertax withdrawal (and associated investment earnings).
- Employer matching withdrawal (available if you have at least five years of service).
- Rollover account withdrawal.
- Age 59½ withdrawal.

You must also stop contributions to the Plan if discontinuing contributions can satisfy the financial hardship. You may request a hardship withdrawal only after you have exhausted all other financial resources.

If you have no other financial resources to alleviate your financial hardship and your hardship withdrawal application is approved, the money you request will be taken from your account in the following order:
- Employer matching account (including associated investment earnings).
- Employer profit-sharing account (VIP only).
- Pretax contributions (including pre-1989 associated investment earnings only for participants whose assets transferred to the VIP from a defined contribution plan maintained by McDonnell Douglas Corporation).
- VIP pretax contributions (including pre-1989 associated investment earnings) held in the MDC East Savings Transferred account or MDC West Savings Transferred account, subject to spousal consent (VIP only).
- Catchup contributions.
Eligible Hardship Emergencies
The following is a clarification to one of several eligible hardship emergencies: You may apply for a hardship withdrawal to help alleviate a leave without pay or if you are otherwise absent from work without pay for 15 consecutive business days or more.

Note: Clarification to BAO VSP only.

Plan Loan Information
During periods of approved unpaid leaves of absence, you should continue to mail in your scheduled loan repayments to CitiStreet. See more information on making loan repayments in the Loan Guide provided in the Forms section of Boeing Savings Plans Online. If you are unable to make repayments during your unpaid leave, you will be given a 12-month grace period during your leave that will begin upon the first missed loan repayment. Your loan will not default during this period. Additional interest, however, will continue to accrue while repayments are not being made.

This grace period does not extend your loan payoff period. You are encouraged to continue to make loan repayments by check or money order directly to CitiStreet while you are on a leave. When you return from leave, loan repayments will be automatically deducted from your paycheck in the original biweekly repayment amount. Your loan repayment amount will not be reamortized for any missed loan repayments. Please refer to the loan guide on the Forms page of Boeing Savings Plans Online for additional information. If the scheduled payoff period occurs during your leave and your loan will not be paid off within 30 days after the payoff date, the remaining loan balance will default regardless of the 12-month grace period.

If you are currently in bankruptcy proceedings, you need permission from the bankruptcy court before requesting a new loan from the Plan.

Your Ongoing Responsibilities
It is very important that you keep your mailing address current at all times (refer to the summary plan description for instructions on updating your address).

If you do not keep your address current, and you leave a balance in the Plan, the Plan Administrator will take reasonable steps to locate you or your beneficiary(ies) at the time the account is due to be paid. Participants or beneficiary(ies) who cannot be located after a reasonable period has passed will be considered missing.

Any payment due to the missing participant will be payable to the designated beneficiary(ies). The benefit payable to a missing beneficiary will be paid to the missing participant’s contingent beneficiary(ies). If there is no valid beneficiary(ies), the benefit will be paid to the deemed beneficiary as determined under the rules of the Plan.

Any payment made to a beneficiary(ies) because the participant could not be located will extinguish all claims to benefits under this Plan (by the participant and all potential beneficiaries).

If the participant cannot be located and there is no beneficiary identified by the Plan Administrator, the benefit will be forfeited. However, if the missing participant or beneficiary subsequently files a claim for a forfeited benefit, upon verification of the claim, any amount forfeited will be escheated and paid without interest, unless the forfeited benefit has been reverted to a state government.

New for BAO VSP only.

The BAO Voluntary Savings Plan (BAO VSP) is intended to constitute a self-directed plan under Section 404(c) of ERISA and 29 U.S.C. Section 2550.404c-1. Accordingly, the fiduciaries of the Plan are relieved of liability for any losses that are the direct and necessary result of your investment instructions. This means you are responsible for your own investment decisions.

Note: VIP is already intended to comply with Section 404(c) of ERISA.
For More Information
Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to https://my.boeing.com and click the TotalAccess tab.
- **On the World Wide Web:** Log on to https://my-ext.boeing.com using your BEMS ID number (or your Social Security number) and your Boeing TotalAccess password.
- **By telephone:** Call 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMS ID number (or Social Security number) and Boeing TotalAccess password when you call.

### Plan Amendment Information
This *Update* is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- BAO Voluntary Savings Plan (Plan 028)

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

If there is a discrepancy between this *Update* and the Plan documents listed above, the Plan documents will control. Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents.
Summary of Savings Plan Changes

Participants in the Boeing Savings Plans

This Update describes the automatic enrollment feature that applies to all new hires and rehires on or after January 1, 2008. Additional changes described in this Update include the option to participate in the voluntary contribution rate escalator, default investment fund information, the small balance payout feature, and the new distribution option for nonspouse beneficiaries.

This Update summarizes plan changes that affect your savings plan(s) and updates your summary plan description(s). The effective date of each change is January 1, 2008, unless otherwise noted.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes in this Update apply to the following plans:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- BAO Voluntary Savings Plan (Plan 028)
- The Boeing Company Employee Financial Security Plan (Plan 003)
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Salaried Defined Contribution Plan (Plan 022)
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Hourly Defined Contribution Plan (Plan 024)

All savings plans are intended to constitute self-directed plans under Section 404(c) of ERISA and 29 U.S.C. Section 2550.404c-1. Accordingly, the fiduciaries of the Plans are relieved of liability for any losses that are the direct and necessary result of your investment instructions. This means you are responsible for your own investment decisions.

The following section applies to The Boeing Company Voluntary Investment Plan (VIP) and the BAO Voluntary Savings Plan (BAO VSP) for newly hired or rehired nonunion employees and employees represented by certain unions:

**Automatic Enrollment**

If you are newly hired or rehired beginning on or after January 1, 2008, you will be enrolled automatically in the Boeing Savings Plan for which you are eligible at a pretax contribution rate of 4 percent of your base pay. These pretax contributions will be deducted automatically from your paycheck 60 calendar days after you become eligible to participate in the Plan. However you may actively enroll at a different contribution rate, or elect not to participate, in the Plan before the 60-day period expires, in which case automatic enrollment will not apply to you. A Boeing Savings Plan Enrollment kit will be sent to you shortly after your hire date that includes information about your Plan including automatic enrollment and the employer matching contribution. It also will provide instructions on enrolling and making changes, including the choice not to participate in the Plan, and how to increase your contribution percentage above the automatic 4 percent rate.
You will be sent two reminder notifications before contributions begin automatically, reminding you of the opportunity to actively enroll at a different contribution percentage or to elect not to participate.

If you are automatically enrolled, and do not want to participate, you may be entitled to request a refund of the automatic employee contributions. The request must be made within 60 calendar days following the date of your first automatic contribution to your Boeing Savings Plan account. A refund of your pretax employee contributions plus any investment earnings or losses will be made to you in the form of a check from State Street (the Plan trustee). Any employer matching contributions attributable to the automatic contributions will be forfeited. You will receive an IRS Form 1099 for the year in which the refund occurred in January of the following year. The refunded contribution plus any related earnings or losses will not be considered an eligible rollover distribution, and will not be subject to a 10 percent early withdrawal penalty.

You may request a refund on line, or by calling the Boeing Savings Service Center through Boeing TotalAccess and speaking with a customer service representative within the 60-day window. See “For More Information,” on page 4, for account access instructions.

The following unions participate in the VIP automatic enrollment feature:

Douglas Association of Security Officers
Fairbanks Joint Crafts Council
International Association of Firefighters
   Local 1-17
International Association of Machinists and Aerospace Workers
   District Lodges 751, 24, 70, 725, 837, 1163
   Local Lodges 2766, 44, 86
International Brotherhood of Carpenters & Joiners Association
   Local 721
International Brotherhood of Electrical Workers
   Local 2295 (hBNA, hMDC, hBSS)
International Union of Operating Engineers
   Local 286, 286W, 501W, 501E
International Union of Painters and Allied Trades Council of California
   District Council Local 36
International Union of Security, Police and Fire Professionals of America
   Locals 5, 507, 2, 255, 159, 160
International Brotherhood of Teamsters
   Locals 6, 610, 952, 578, 848
Lazy B Pilots Association
Sheet Metal Workers International Association
   Local 461
The following unions participate in the BAO VSP automatic enrollment feature:

International Association of Machinists and Aerospace Workers
   District Lodge 75
       Locals 20, 449
International Union of Electronic, Electrical, Salaried, Machine, and Furniture Workers AFL-CIO
   Local No. 1119

The following sections apply to all employees eligible for The Boeing Company Voluntary Investment Plan (VIP) and the BAO Voluntary Savings Plan (BAO VSP).

Voluntary Contribution Rate Escalator
You have the option to elect a new feature called the voluntary contribution rate escalator. This new feature will allow you to elect future contribution rate increases on a pretax or aftertax basis in 1 percent increments, up to the maximum plan percentage of 20 percent of your base pay. You can select your contribution percentage to automatically increase on a quarterly, semi-annual, annual, or one-time basis.

You will receive a reminder notification 30 days before the contribution rate increase. You can change or stop the voluntary contribution rate escalator at any time. This option is available through Boeing Savings Plans Online or by calling the Boeing Savings Service Center through Boeing TotalAccess.

If you make a contribution election any time after choosing the voluntary contribution rate escalator, the escalator feature will be canceled. Other transactions, such as loans and withdrawals, will not impact your existing rate escalator election. If you are eligible to participate in the Supplemental Benefit Plan (SBP) for Employees of The Boeing Company and elected to contribute to the SBP, you will not be eligible to elect the voluntary contribution rate escalator in the VIP.

The voluntary contribution rate escalator does not apply to catch-up contributions.

The following section applies to all employees eligible for The Boeing Company Voluntary Investment Plan (VIP), The Boeing Company Employee Financial Security Plan (FSP), and the BAO Voluntary Savings Plan (BAO VSP).

Change to Default Investment Fund
If you have not made an investment election for your future contributions, your contributions will be invested automatically in one of the five lifecycle funds. Your future contributions will be invested in the applicable lifecycle fund that has an associated date closest to your expected retirement year. If you are automatically enrolled in a Plan as discussed above, your contribution will be invested in the lifecycle fund unless you elect another investment fund. The following chart displays the lifecycle fund that your future deferral contributions and any matching and/or other employer contributions will be invested in based on the year of your birth, if you do not have an investment election on file. You are encouraged to make an investment election when your contributions begin. In addition, you may make a fund transfer or a reallocation* on any business day for any contributions that were invested in the default investment fund.
### Accounts With Small Balances in the Boeing Savings Plans Will Automatically Be Paid Out

If you are no longer actively employed by Boeing (or a Boeing affiliate or subsidiary), or you are a beneficiary or an alternate payee, and you have a balance in one of the Boeing Savings Plans noted above that is equal to or less than $1,000, your account balance automatically will be paid out to you in a single lump sum. This new provision goes into effect on January 1, 2008, with accounts being automatically paid out beginning March 31, 2008.

Employees who terminate after January 1, 2008, with an account balance equal to or less than $1,000 will be notified approximately 90 days before the date the account is paid out and will be encouraged to request a rollover or other form of distribution before the account is automatically paid out. Each Plan may offer slightly different distribution options, so you are encouraged to review your options listed in the Termination Guide of the Forms section of Boeing Savings Plans Online or by calling Boeing TotalAccess to speak to a Boeing Savings Plan customer service representative. See “For More Information,” on page 4, for instructions on accessing your account.

### Distribution Option for Nonspouse Beneficiaries

Effective January 1, 2007, all savings plans allow nonspouse beneficiaries to roll over their portion of the deceased participant’s account to an IRA. This type of IRA is referred to as an inherited IRA. Contact the Boeing Savings Service Center through Boeing TotalAccess for more information.

### For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab.
- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Subsidiary participants (except BAO VSP) log on to [https://my-ext.boeing.com](https://my-ext.boeing.com).
- **By telephone:** Call [1-866-473-2016](tel:1-866-473-2016). TTY/TDD services are available at [1-800-755-6363](tel:1-800-755-6363). You must have your BEMS ID number (or Social Security number) and Boeing TotalAccess password available when you call. Customer Service representatives are available weekdays between 8 a.m. and 8 p.m. Central time.
Plan Amendment Information

This Update is a summary of material modifications to your summary plan descriptions for:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- BAO Voluntary Savings Plan (Plan 028)
- The Boeing Company Employee Financial Security Plan (Plan 003)
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Salaried Defined Contribution Plan (Plan 022)
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Hourly Defined Contribution Plan (Plan 024)

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this Update. If there is any discrepancy between this Update and the Plan documents listed above, the Plan documents will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing Service Center through Boeing TotalAccess. Although the Company fully intends to continue the Plan described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their beneficiaries.
Summary of Savings Plan Changes
Nonunion Employees

This Update summarizes changes to your savings plan and updates your summary plan description. The effective date of the changes is January 1, 2009, unless otherwise noted.

The changes described in this Update apply to The Boeing Company Voluntary Investment Plan (VIP).

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

Eligibility
The changes described in the Update will apply to you if you are a nonunion employee of The Boeing Company (the “Company”) or an employee of an adopting subsidiary or affiliate company (listed on page 2) who is hired, or rehired, on or after January 1, 2009. The changes also apply to you if you are a nonunion employee who becomes eligible to participate in the VIP and you work for an entity that was acquired by Boeing through an asset or stock sale or merger after September 30, 2008.

If you return directly from an authorized leave or absence or are rehired from a layoff status and return within six years of being laid off and your most recent hire date before you were laid off or began your leave of absence was before January 1, 2009, the changes in this Update will not apply to you.

If you transfer from a union position to a nonunion position, or transfer from a position in a nonadopting subsidiary or affiliate company to a position in an adopting subsidiary or affiliate company (see page 2), your eligibility for benefits described in this Update will be based on your most recent hire date before the transfer.

For additional information contact the Boeing Saving Service Center through Boeing TotalAccess. See “For More Information,” on page 3.

Automatic Company Contributions
You will receive an automatic Company contribution equal to three, four, or five percent of pay (includes base pay, incentive pay, and certain commissions) each pay period depending on your age as of December 31 each year. The automatic Company contribution will be fully vested immediately. The table below shows the Company contribution.

<table>
<thead>
<tr>
<th>Age at End of Year</th>
<th>Company Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under age 40</td>
<td>3%</td>
</tr>
<tr>
<td>Age 40–49</td>
<td>4%</td>
</tr>
<tr>
<td>Age 50 or older</td>
<td>5%</td>
</tr>
</tbody>
</table>
Employer Matching Contributions

The Company may match a portion of your contributions each pay period. For information about the employer matching contribution that applies to you, see the eligibility notice you received with your summary plan description booklet, or call the Boeing Savings Service Center through Boeing TotalAccess and request a summary plan description booklet and refer to the attached “summary plan description notice.”

Adopting Subsidiary and Affiliate Companies

Nonunion employees of the following subsidiary and affiliate companies are eligible for the benefits described in this Update:

- The Boeing Company
- Autometric, Inc.
- Boeing Advanced Information Systems—Maryland Operations
- Boeing Business Services Company
- Boeing Capital Corporation and its subsidiaries
- Boeing Capitol Loan Corporation
- Boeing Capital Washington Corporation
- Boeing International Corporation
- Boeing International Sales Corporation
- Boeing Logistics Spares, Inc.
- Boeing Management Company
- Boeing Middle East Limited
- Boeing Operations International, Inc.
- Boeing Realty Corporation
- Boeing Satellite Systems, Inc.
- Boeing Service Company
- Boeing Space Operations Company
- Boeing Stores, Inc.
- Boeing Technology International
- Boeing Travel Management
- Boeing-SVS, Inc.
- Jeppesen DataPlan, Inc.
- Jeppesen Marine, Inc.
- Jeppesen Sanderson, Inc.
- McDonnell Douglas Corporation
- Spectrolab, Inc.
For More Information
Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab.
- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number (or your Social Security number) and your Boeing TotalAccess password.
- **By telephone:** By telephone: Call Boeing TotalAccess toll free at 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMS ID number (or Social Security number) and Boeing TotalAccess password available when you call. Service Center representatives are available weekdays between 8 a.m. and 8 p.m. Central time.

### Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and the official plan documents, the official plan documents will control. Copies of the summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plan described here, the Company reserves the right to change, modify, amend, or terminate it at any time and for any reason for employees, former employees, retirees, and their beneficiaries.
Summary of Benefit Plan Changes and Clarifications

Employees Represented by SPEEA

This Update summarizes the collectively bargained and administrative changes and clarifications that will affect your benefit plans and updates your summary plan descriptions. The effective date of each change is July 1, 2009, unless otherwise noted.

The changes and clarifications in this Update will apply to you if you are an active employee of The Boeing Company (the “Company”) who is represented by the Society of Professional Engineering Employees in Aerospace.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes or clarifications in this Update will apply to the following plans:

- The Boeing Company Employee Health and Welfare Benefit Plan (Plan 503).
- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Retiree Health and Welfare Benefit Plan (Plan 502).
- The Boeing Company Employee Retirement Plan (Plan 001).
- The Boeing Company Voluntary Investment Plan (Plan 002).

Benefit Year Change

Effective January 1, 2010, the benefit year will be based on the calendar year, January 1 through December 31.

There will be a six-month plan year from July 1, 2009, through December 31, 2009. During that transitional period

- The medical plan out-of-pocket maximum will be half the annual maximum.
- For the medical and dental plans, the deductible will be half the annual deductible amount.

Eligibility Clarification

Under certain circumstances, you and/or your eligible dependents may enroll in Company-sponsored health care coverage midyear if you or your dependent loses other health care coverage, as described in “Special Enrollment Events” in the 2006 edition of your health care summary plan description. For this purpose, loss of “other health care coverage” does not include coverage through Medicare or Medicaid.
Medical Plans

Medical Plan Choices
Medical plan choices will be as follows:

**Washington**
- Traditional Medical Plan
- Select Network EPO
- Group Health HMO
- Aetna PPO+Account with a Health Savings Account (effective January 1, 2010)

**Oregon**
- Traditional Medical Plan
- Kaiser Permanente HMO *(formerly Kaiser Permanente CCP)*
- Selections Plus CCP
- Aetna PPO+Account with a Health Savings Account (effective January 1, 2010)

**Utah**
- Traditional Medical Plan
- SelectHealth HMO
- Aetna PPO+Account with a Health Savings Account (effective January 1, 2010)

**Other Locations**
- Traditional Medical Plan
- Kaiser Permanente HMO (California)
- Aetna PPO+Account with a Health Savings Account

**Traditional Medical Plan**

**Annual Deductible**
The annual deductible (network and nonnetwork combined) will be the greater of $225 or 0.225 percent of base annual salary per individual ($675 or 0.675 percent of base annual salary per family of three or more).

**Lifetime Maximum Benefit**
The lifetime maximum benefit will be $2 million per individual.

**Mental Health Treatment**
- Network coinsurance for outpatient services will be 100 percent.
- Nonnetwork coinsurance for inpatient services will be 60 percent. The nonnetwork 20-day annual limit on inpatient services will be eliminated.
- Nonnetwork coinsurance for outpatient services will be 60 percent. The nonnetwork 20-visit annual limit on outpatient services will be eliminated.

**Hearing Aids**
The hearing aid benefit will be $800 per ear.

**Neurodevelopmental Therapy**
The neurodevelopmental therapy benefit maximum will be $1,500 each benefit year.


**Prescription Drug Program**

Retail pharmacy drug purchases will be covered as follows:

- The deductible no longer will apply to retail prescription drug purchases. At a participating pharmacy, the employee will be required to pay only his or her portion of the prescription cost at the time of purchase.
- 90 percent generic ($5 minimum; $25 maximum).
- 80 percent brand-name formulary ($15 minimum; $75 maximum).
- 70 percent brand-name nonformulary ($30 minimum; no maximum).
- 34-day supply.

**Preventive Care and Routine Physicals**

For network preventive care services and supplies, benefits will be paid as follows:

- Routine physical examinations for employees, spouses, and children age two and older:
  - 100 percent (annual deductible does not apply) up to $500 each year per covered person, including related office visits, X-ray, and laboratory charges as well as childhood and adult immunizations and vaccines, excluding travel vaccines, as recommended by the U.S. Preventive Services Task Force (USPSTF) guidelines, including the applicable catch-up immunizations for children ages 2 to 18 years as recommended by the USPSTF. The annual deductible and network coinsurance will apply after the $500 maximum has been met.
  - Limited to one examination per child every benefit year age 2 through age 18.
  - Limited to one examination per person every three benefit years for age 19 through age 34, then one examination per person every benefit year.

- Routine physical examinations for children to age two:
  - 100% (annual deductible does not apply).
  - Limited to eight examinations from birth to age two.
  - Includes immunizations and vaccines, excluding travel vaccines, as recommended by the USPSTF guidelines and the physician, including the catch-up immunization schedule for children age four months to two years as recommended by the USPSTF guidelines.

- Routine Pap tests, mammograms, prostate screenings, and colorectal screenings (including colonoscopies) covered at 100 percent (annual deductible does not apply) as recommended by the physician.

**Substance Abuse Treatment**

Nonnetwork coinsurance for substance abuse treatment will be 60 percent.

**Routine Vision Care**

The frame allowance will be $90; the contact lens allowance will be $120.

**Wigs (new benefit)**

Wigs (and hair prostheses) will be covered at 80 percent coinsurance, after the annual deductible, up to $500 per year for hair loss resulting from chemotherapy or radiation therapy.

**Aetna PPO+Account**

Effective January 1, 2010, the Aetna PPO+Account with a Health Savings Account (HSA) will be introduced. The PPO+Account medical plan is a high-deductible health plan. This means it meets Federal requirements that allow the plan to offer an HSA. If you enroll in PPO+Account medical coverage, you may be eligible to set up an HSA through Aetna. Under the PPO+Account you may see any physician you choose. However, your out-of-pocket costs will be lower when you see a network provider for services covered by this plan.

Copyright © 2009 Boeing.
Aetna Health Savings Account

If you enroll in the PPO+Account medical plan, you will have the opportunity to set up a special tax-advantaged bank account, the Aetna Health Savings Account (HSA), for paying health care services.

The Company has contracted with service representatives to sponsor and administer your HSA. Service representatives answer questions, process transactions, maintain accounts, provide account information, and perform other account services. The current service representatives are as follows:

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**Aetna HSA Highlights**

Boeing will make contributions to your account each pay period. You can choose to make your own additional contributions through payroll deductions. Contributions will not be subject to Federal income tax, but if you live in certain states, including California, they will be subject to state tax.

Money in your account earns interest free from Federal tax and is not taxed when withdrawn to pay for qualified health care expenses. However, if you live in certain states, including California, they will be subject to state tax.

If you do not use the money in one year to pay medical expenses, the balance rolls into the next year to use for future medical expenses—even after you retire. There is no limit on how much you can accumulate in your account.

You own the money in your Aetna HSA and choose how to spend or save the funds. If you leave Boeing, the funds are yours to take with you.

**Contributing to Your Aetna HSA**

The amount Boeing will contribute to your account is based on the coverage level you elect. The contributions will be equally divided among your paychecks for the year.

You can make your own optional contributions to your Aetna HSA through payroll deductions. The amount you can contribute is subject to Federal limits. You can change your contribution amount at any time during the year, for any reason. Even if you decide not to contribute, you still will receive Boeing’s contribution.

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If you withdraw money to pay qualified health care expenses, there is no Federal or state tax in any state. Money withdrawn from an HSA for anything other than qualified medical expenses generally is taxable under Federal law as ordinary income and is subject to a 10 percent tax penalty. The additional 10 percent tax does not apply if the withdrawal is made after your death, disability, or reaching age 65.

Important HSA Information
The Aetna HSA is not subject to ERISA (the PPO+Account medical coverage is subject to ERISA). Because Boeing does not sponsor or endorse the Aetna HSA, there are some differences between it and medical plans sponsored by Boeing:
- Your Aetna HSA will not offer COBRA continuation rights (unlike the PPO medical coverage, which may be continued through COBRA). However, the HSA is your account and it is portable, which means you can maintain it with Aetna after you leave Boeing, or you can move it to another qualified HSA. You also can continue making contributions to your HSA after you leave Boeing, provided you are enrolled in a high-deductible health plan and meet all other contribution requirements.
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Prescription Drug Provisions—Traditional PPO
Pharmacy Management
Certain dosages, quantities, and medications require preapproval by the service representative. Specific drugs are reviewed by the service representative at the point of sale to determine if the prescription is covered by the plan, clinically appropriate, and consistent with usage guidelines.

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- Possible interactions with other current prescriptions.
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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 the physician to approve the changes to dosage and strength before authorizing payment with the 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 order)—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 two 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.

**EPO, CCP, and HMO Plans**

**All EPO, CCP, and HMO Plans**

The lifetime maximum benefit will be $2 million per individual.

**Select Network EPO**

- The $2,000 ambulance annual maximum will be eliminated.
- The 130-visit annual limit for home health care will be eliminated.
- For mental health treatment, the inpatient 30-day and outpatient 30-visit annual limits will be eliminated.
- Routine vision care allowances will be as follows:
  - $90 for frames.
  - $120 for contact lenses.
- For substance abuse treatment, detoxification and outpatient rehabilitation will be covered at a lifetime maximum of two courses of treatment, up to $7,500 per course of treatment.
- Therapies will be revised as follows:
  - The neurodevelopmental therapy benefit maximum will be $1,500 each benefit year.
  - The $1,000 outpatient maximum per year and $30,000 inpatient maximum per condition no longer will apply to occupational, physical, and speech therapies.
- For transplants, the $200,000 lifetime maximum and $25,000 donor procurement limit will be eliminated.

**Selections Plus CCP**

- Mental health treatment will be revised as follows:
  - For inpatient treatment, the network and nonnetwork 30-day annual limits will be eliminated; nonnetwork inpatient coinsurance will be 60 percent.
  - For outpatient treatment, the network and nonnetwork 30-visit annual limits will be eliminated; nonnetwork outpatient coinsurance will be 60 percent.
Substance abuse treatment will be revised as follows:
- Nonnetwork inpatient and outpatient coinsurance will be 60 percent.
- Inpatient and outpatient combined maximum will be two courses of treatment per lifetime, $7,500 per course of treatment, network and nonnetwork combined.

Routine vision care allowances will be as follows:
- $90 for frames.
- $120 for contact lenses.

Kaiser Permanente HMO (California)
The emergency room copayment will be $50.

Medical Plan Contributions
A no-contribution medical plan option will be offered in each area for the duration of the collective bargaining agreement as follows:
- Washington—Traditional Medical Plan.
- Oregon—Kaiser Permanente HMO.
- California—Kaiser Permanente HMO.
- Utah—SelectHealth HMO.
- All other locations—Traditional Medical Plan.

In addition, the PPO+Account will be offered as a no-contribution plan in all areas as of January 1, 2010. Medical plans not specified above will continue to require an employee contribution of 12 percent.

Your contribution amount is governed by your collective bargaining agreement. For additional information regarding your contributions, please refer to your contract/collective bargaining agreement.

Dental Plans
Preferred Dental Plan Changes
The Preferred Dental Plan will be revised as follows:
- Two additional cleanings will be allowed per benefit year if periodontal disease is present.
- Examinations by a specialist will be covered (if the specialty is recognized by the American Dental Association and if the patient is not receiving treatment from the specialist), up to three times in a six-month period.

Short-Term Disability Plan
How Your Benefit Changes if Your Salary Changes
If you are actively at work and your weekly salary either increases or decreases, your short-term disability benefit amount will change automatically on the first day of the month after or coinciding with the date of the change in your salary.

When an Injury or Illness Is Caused by the Negligence of Another
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, this 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 this plan is injured by another party who is legally liable for the medical or dental bills or disability income, he or she may request this 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 this 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 this 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. This 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.

Life Insurance Plan

How Your Benefit Changes if Your Salary Changes
If you are actively at work and your annual salary either increases or decreases, your life insurance benefit amount will change automatically on the first day of the month after or coinciding with the date of the change in your salary.

Retiree Medical Coverage

Eligibility

**Technical Unit Employees**

If you are an employee working in the Company’s plants located in Weber and Davis counties, Utah, and were not eligible for Company-subsidized retiree medical coverage before becoming represented by SPEEA, you are not eligible for retiree medical coverage. This applies even if you were hired before January 1, 2007.

Dependent Eligibility

The definition of covered dependents will be expanded to include eligible same-gender domestic partners and their eligible children.
Savings and Retirement

Voluntary Investment Plan
Effective January 1, 2009, employees may contribute from 1 percent to 25 percent of base pay on a pretax, after-tax, or combination of pretax and after-tax basis, in 1 percent increments.

The Boeing Company Employee Retirement Plan
For retirements from the active payroll with a benefit commencement date on or after

- January 1, 2009, the retirement accrued benefit will be $81 for each year of benefit service.
- January 1, 2012, the retirement accrued benefit will be $83 for each year of benefit service.

For More Information
Contact the Boeing service centers through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab.
- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password.
- **By telephone:** Call **1-866-473-2016**. TTY/TDD services are available at **1-800-755-6363**. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Customer service hours vary by service center; representatives generally are available during regular business hours.

Plan Amendment Information
This *Update* is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- The Boeing Company Employee Health and Welfare Benefit Plan (Plan 503).
- The Boeing Company Retiree Health and Welfare Benefit Plan (Plan 502).
- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Employee Retirement Plan (Plan 001).
- The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and The Boeing Company Master Welfare Plan document and/or the Plan documents listed above, the terms of The Boeing Company Master Welfare Plan document and/or the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing service centers through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes and Clarifications
Employees Represented by AMPA

This Update summarizes the collectively bargained and administrative changes and clarifications that will affect your benefit plans and updates your summary plan descriptions. The effective date of each change is July 1, 2009, unless otherwise noted.

The changes and clarifications in this Update will apply to you if you are an active employee of The Boeing Company (the “Company”) who is represented by the Airplane Manufacturing Pilots Association (AMPA).

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes or clarifications in this Update will apply to the following plans:
- The Boeing Company Employee Health and Welfare Benefit Plan (Plan 503).
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- The Boeing Company Employee Retirement Plan (Plan 001).
- The Boeing Company Voluntary Investment Plan (Plan 002).

Benefit Year Change

Effective January 1, 2010, the benefit year will be based on the calendar year, January 1 through December 31.

There will be a six-month plan year from July 1, 2009, through December 31, 2009. During that transitional period,
- The medical plan out-of-pocket maximum will be half the annual maximum.
- For the medical and dental plans, the deductible will be half the annual deductible amount.

Eligibility Clarification

Under certain circumstances, you and/or your eligible dependents may enroll in Company-sponsored health care coverage midyear if you or your dependent loses other health care coverage, as described in “Special Enrollment Events” in the 2006 edition of your health care summary plan description. For this purpose, loss of “other health care coverage” does not include coverage through Medicare or Medicaid.

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Medical Plans

Medical Plan Choices

Medical plan choices will be as follows:

**Washington**
- Traditional Medical Plan
- Select Network EPO
- Group Health HMO
- Aetna PPO+Account with a Health Savings Account (effective January 1, 2010)

**Other Locations**
- Traditional Medical Plan
- Aetna PPO+Account with a Health Savings Account (effective January 1, 2010)

Traditional Medical Plan

**Annual Deductible**

The annual deductible (network and nonnetwork combined) will be the greater of $225 or 0.225 percent of base annual salary per individual ($675 or 0.675 percent of base annual salary per family of three or more).

**Lifetime Maximum Benefit**

The lifetime maximum benefit will be $2 million per individual.

**Mental Health Treatment**

- Network coinsurance for outpatient services will be 100 percent.
- Nonnetwork coinsurance for inpatient services will be 60 percent. The nonnetwork 20-day annual limit on inpatient services will be eliminated.
- Nonnetwork coinsurance for outpatient services will be 60 percent. The nonnetwork 20-visit annual limit on outpatient services will be eliminated.

**Hearing Aids**

The hearing aid benefit will be $800 per ear.

**Neurodevelopmental Therapy**

The neurodevelopmental therapy benefit maximum will be $1,500 each benefit year.

**Prescription Drug Program**

Retail pharmacy drug purchases will be covered as follows:

- The deductible no longer will apply to retail prescription drug purchases. At a participating pharmacy, the employee will be required to pay only his or her portion of the prescription cost at the time of purchase.
- 90 percent generic ($5 minimum; $25 maximum).
- 80 percent brand-name formulary ($15 minimum; $75 maximum).
- 70 percent brand-name nonformulary ($30 minimum; no maximum).
- 34-day supply.
Preventive Care and Routine Physicals

For network preventive care services and supplies, benefits will be paid as follows:

- Routine physical examinations for employees, spouses, and children age two and older:
  - 100 percent (annual deductible does not apply) up to $500 each year per covered person, including related office visits, X-ray, and laboratory charges as well as childhood and adult immunizations and vaccines, excluding travel vaccines, as recommended by the U.S. Preventive Services Task Force (USPSTF) guidelines, including the applicable catch-up immunizations for children ages 2 to 18 years as recommended by the USPSTF. The annual deductible and network coinsurance will apply after the $500 maximum has been met.
  - Limited to one examination per child every benefit year age 2 through age 18.
  - Limited to one examination per person every three benefit years for age 19 through age 34, then one examination per person every benefit year.

- Routine physical examinations for children to age two:
  - 100 percent (annual deductible does not apply).
  - Limited to eight examinations from birth to age two.
  - Includes immunizations and vaccines, excluding travel vaccines, as recommended by the USPSTF guidelines and the physician, including the catch-up immunization schedule for children age four months to two years as recommended by the USPSTF guidelines.

- Routine Pap tests, mammograms, prostate screenings, and colorectal screenings (including colonoscopies) covered at 100 percent (annual deductible does not apply) as recommended by the physician.

Substance Abuse Treatment

Nonnetwork coinsurance for substance abuse treatment will be 60 percent.

Routine Vision Care

The frame allowance will be $90; the contact lens allowance will be $120.

Wigs (new benefit)

Wigs (and hair prostheses) will be covered at 80 percent coinsurance, after the annual deductible, up to $500 per year for hair loss resulting from chemotherapy or radiation therapy.

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The service representative applies standards based on FDA-approved labeling and clinical guidelines. The service representative will seek to ensure that the patient receives the most appropriate prescription for the condition by reviewing:

- Possible interactions with other current prescriptions.
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- 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 the physician to approve the changes to dosage and strength before authorizing payment with the 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 order)—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 two 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.

**EPO and HMO Plans**

**Select Network EPO and Group Health HMO**

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**Select Network EPO**

- The $2,000 ambulance annual maximum will be eliminated.
- The 130-visit annual limit for home health care will be eliminated.
- For mental health treatment, the inpatient 30-day and outpatient 30-visit annual limits will be eliminated.
- Routine vision care allowances will be as follows:
  - $90 for frames.
  - $120 for contact lenses.
- For substance abuse treatment, detoxification and outpatient rehabilitation will be covered at a lifetime maximum of two courses of treatment, up to $7,500 per course of treatment.
Therapies will be revised as follows:
- The neurodevelopmental therapy benefit maximum will be $1,500 each benefit year.
- The $1,000 outpatient maximum per year and $30,000 inpatient maximum per condition no longer will apply to occupational, physical, and speech therapies.

For transplants, the $200,000 lifetime maximum and $25,000 donor procurement limit will be eliminated.

Medical Plan Contributions

A no-contribution medical plan option will be offered in each area for the duration of the collective bargaining agreement as follows:

- Washington—Traditional Medical Plan.
- All other locations—Traditional Medical Plan.

In addition, the PPO+Account will be offered as a no-contribution plan in all areas as of January 1, 2010. Medical plans not specified above will continue to require an employee contribution of 12 percent.

Your contribution amount is governed by your collective bargaining agreement. For additional information regarding your contributions, please refer to your contract/collective bargaining agreement.

Dental Plans

Preferred Dental Plan Changes

The Preferred Dental Plan will be revised as follows:

- Two additional cleanings will be allowed per benefit year if periodontal disease is present.
- Examinations by a specialist will be covered (if the specialty is recognized by the American Dental Association and if the patient is not receiving treatment from the specialist), up to three times in a six-month period.

Short-Term Disability Plan

How Your Benefit Changes if Your Salary Changes

If you are actively at work and your weekly salary either increases or decreases, your short-term disability benefit amount will change automatically on the first day of the month after or coinciding with the date of the change in your salary.

When an Injury or Illness Is Caused by the Negligence of Another

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, this 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 this plan is injured by another party who is legally liable for the medical or dental bills or disability income, he or she may request this 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 this 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 this 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. This 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.

Life Insurance Plan

How Your Benefit Changes if Your Salary Changes

If you are actively at work and your annual salary either increases or decreases, your life insurance benefit amount will change automatically on the first day of the month after or coinciding with the date of the change in your salary.

Supplemental Life Insurance Plan and Supplemental AD&D Plan

Effective July 1, 2007, employees represented by AMPA are eligible for the Supplemental Life Insurance Plan and the Supplemental AD&D Plan.

Retiree Medical Coverage

Dependent Eligibility

The definition of covered dependents will be expanded to include eligible same-gender domestic partners and their eligible children.

Savings and Retirement

Voluntary Investment Plan

Effective January 1, 2009, employees may contribute from 1 to 25 percent of base pay on a pretax, aftertax, or combination of pretax and aftertax basis, in 1 percent increments.
Employees hired or rehired on or after January 1, 2010, will receive an automatic Company contribution to the Plan. Each pay period, the Company will contribute to the Plan an amount equal to a percentage of the employee’s eligible pay for the pay period, according to the schedule below. Employees will be 100 percent vested immediately in this Company contribution. An employee is considered rehired if the employee returns to work from layoff and the return date is more than six years after the date of layoff. Eligible pay, for the purpose of calculating the Company contribution, is base pay, shift differential, and incentive pay.

<table>
<thead>
<tr>
<th>Age at End of Year</th>
<th>Automatic Company Contribution</th>
<th>Maximum Company Match (100% of first 4%; 50% of next 4%)</th>
<th>Total Company Contribution (assumes employee contributes 8% of pay)</th>
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<tr>
<td>Under age 40</td>
<td>3%</td>
<td>6%</td>
<td>9%</td>
</tr>
<tr>
<td>Age 40–49</td>
<td>4%</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>Age 50 and older</td>
<td>5%</td>
<td>6%</td>
<td>11%</td>
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If an employee returns directly from an authorized leave of absence or is rehired from a layoff status and returns within six years of being laid off and his or her most recent hire date before they were laid off or began their leave of absence was before January 1, 2010, the Plan provisions in this Update will not apply to the employee.

Employees hired or rehired on or after January 1, 2010, will be eligible for a Company matching contribution of 100 percent of the first 4 percent of base pay (as defined in the Plan, distinct from “eligible pay” defined above) contributed, and 50 percent of the next 4 percent of base pay contributed by the employee. Employees will be 100 percent vested immediately in the Company matching contribution.

The Boeing Company Employee Retirement Plan

For employees whose most recent hire date is before January 1, 2010, who retire from the active payroll with a benefit commencement date on or after
- April 1, 2009, the retirement accrued benefit will be $81 for each year of benefit service.
- January 1, 2012, the retirement accrued benefit will be $83 for each year of benefit service.

Employees hired or rehired on or after January 1, 2010, will not be eligible for participation in The Boeing Company Employee Retirement Plan.

For purposes of determining Plan eligibility, the employee will be considered hired before January 1, 2010, if
- On an authorized leave of absence on December 31, 2009, and returns to active employment directly from that authorized leave of absence.
- On layoff on December 31, 2009, and returns to active employment within six years of the layoff date.
- An active employee on December 31, 2009, goes on an authorized leave of absence, and returns to active employment directly from that authorized leave of absence.
- An active employee on December 31, 2009, is laid off, and returns to active employment within six years of the layoff date.

An employee is considered rehired if the employee returns to work from layoff and the return date is more than six years after the date of layoff.
For More Information

Contact the Boeing service centers through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab.
- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password.
- **By telephone:** Call **1-866-473-2016.** TTY/TDD services are available at **1-800-755-6363.** You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Customer service hours vary by service center; representatives generally are available during regular business hours.

### Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- The Boeing Company Employee Health and Welfare Benefit Plan (Plan 503).
- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Retiree Health and Welfare Benefit Plan (Plan 502).
- The Boeing Company Employee Retirement Plan (Plan 001).
- The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update.* In the event of a conflict between this *Update* and The Boeing Company Master Welfare Plan document and/or the Plan documents listed above, the terms of The Boeing Company Master Welfare Plan document and/or the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing service centers through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes and Clarifications

Employees Represented by IAM 24, 70, and 751 and IUOE 286W

This Update summarizes the collectively bargained changes and administrative clarifications that will affect your benefit plans and updates your summary plan descriptions. The effective date of each change is July 1, 2009, unless otherwise noted.

The changes and clarifications in this Update will apply to you if you are an active employee of The Boeing Company (the “Company”) who is represented by the International Association of Machinists and Aerospace Workers (IAM), Local Nos. 24, 70, or 751, or the International Union of Operating Engineers (IUOE) 286W.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes or clarifications in this Update will apply to the following plans:

- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Employee Retirement Plan (Plan 001).
- The Boeing Company Voluntary Investment Plan (Plan 002).

Health Care Plans

Benefit Year Change

Effective January 1, 2010, the benefit year for health care plans will be based on the calendar year, January 1 through December 31.

There will be a six-month plan year from July 1, 2009, through December 31, 2009. During that transitional period,

- The medical plan out-of-pocket maximum will be half the annual maximum.
- For the medical and dental plans, the deductible will be half the annual deductible amount.

Eligibility Clarification

Under certain circumstances, you and/or your eligible dependents may enroll in Company-sponsored health care coverage midyear if you or your dependent loses other health care coverage, as described in “Special Enrollment Events” in the 2006–2007 edition of your health care summary plan description. For this purpose, loss of “other health care coverage” does not include coverage through Medicare or Medicaid.

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When an Injury or Illness Is Caused by the Negligence of Another

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, this plan will pay benefits if the covered person agrees to cooperate with the service representative in administering the plan’s recovery rights.

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

- Notify the plan within 30 days of giving notice to any party, including an insurance company or attorney, of the covered person’s intention to pursue a claim.
- Complete a claim and submit all bills related to the injury or illness to the responsible party or any insurer.
- Complete and submit all of the necessary information requested by the service representative.
- Reimburse the plan from any payment he or she receives from the responsible party or any other source.
- Allow the plan to be subrogated to all rights of recovery a covered person has against the responsible party or any other source and to cooperate with the service representative’s efforts to recover from the responsible party or any other source any amounts this plan pays in benefits related to the injury or illness, including any lawsuit brought against the responsible party or insurer.
- Grant the plan a lien in the amount of benefits paid which can be enforced against any source of funds available to compensate the covered person for injury or illness caused by another party.

This provision applies whenever you or a covered dependent is entitled to or receives benefits under this plan and is also entitled to or receives compensation or any other funds from another party in connection with that same 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 as a first-priority right, whether or not the individual has been “made whole,” and without regard to any common fund doctrine. The plan is entitled to such funds regardless of whether the plan’s benefits are identified as being included in the funds and regardless of whether liability for payment of the funds is admitted by the responsible party or any other source of the funds. This plan may recover such funds by constructive trust, equitable lien, right of subrogation, reimbursement, or any other remedy allowed under applicable law.

The covered person shall do nothing to prejudice the plan’s subrogation or recovery interest, including, but not limited to, refraining from making any settlement or recovery that attempts to reduce or exclude the full cost of all benefits provided by the plan. 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 remedy or recovery allowed under applicable law, against any and all persons or entities who have assets that the plan can claim rights to. The plan has a first-priority right of 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.
In the event that any claim is made that any part of this subrogation and recovery provision is ambiguous or questions arise concerning the meaning or intent of any of its terms, the plan or service representative shall have the sole authority and discretion to resolve all disputes regarding the interpretation of this provision.

Retiree Medical Plans

Effective Date of Coverage

If you are eligible for retiree medical coverage and you terminate employment on or after January 1, 2010, your active coverage will continue until the end of the month following the month in which your active employment ends. Your retiree medical coverage will begin on the first day of the month after your active coverage ends.

If you terminate employment on or after January 1, 2010, you do not need to be receiving your Company-sponsored pension benefit to start your retiree medical coverage.

Savings Plan

Effective January 1, 2009, employees may contribute from 1 to 25 percent on a pretax, after-tax, or combination of pretax and after-tax basis, in 1 percent increments.

Retirement Plan

Under The Boeing Company Employee Retirement Plan, for retirements from the active payroll, the retirement accrued benefit will be as follows:

- For a commencement date on or after January 1, 2009, $81 for each year of benefit service.
- For a commencement date on or after January 1, 2012, $83 for each year of benefit service.

For More Information

Contact the Boeing service centers through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab.

- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password.

- **By telephone:** Call **1-866-473-2016**. TTY/TDD services are available at **1-800-755-6363**. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Customer service hours vary by service center; representatives generally are available during regular business hours.
Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Employee Retirement Plan (Plan 001).
- The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and The Boeing Company Master Welfare Plan document and/or the Plan documents listed above, the terms of The Boeing Company Master Welfare Plan document and/or the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing service centers through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes and Clarifications

Employees Represented by IAFF I-66 (Kansas, Washington) and SPFPA 2 and 5

This Update summarizes the collectively bargained changes and administrative clarifications that will affect your benefit plans and updates your summary plan descriptions. The effective date of each change is July 1, 2009, unless otherwise noted.

The changes and clarifications in this Update will apply to you if you are an active employee of The Boeing Company (the “Company”) who is represented by the

- International Association of Firefighters (IAFF), Local No. 66 (Kansas, Washington).
- International Union, Security, Police and Fire Professionals of America and Certain Affiliated Amalgamated Unions (SPFPA), Local Nos. 2 and 5.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes or clarifications in this Update will apply to the following plans:

- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Voluntary Investment Plan (Plan 002).

Health Care Plans

Benefit Year Change

Effective January 1, 2010, the benefit year for health care plans will be based on the calendar year, January 1 through December 31.

There will be a six-month plan year from July 1, 2009, through December 31, 2009. During that transitional period,

- The medical plan out-of-pocket maximum will be half the annual maximum.
- For the medical and dental plans, the deductible will be half the annual deductible amount.

Eligibility Clarification

Under certain circumstances, you and/or your eligible dependents may enroll in Company-sponsored health care coverage midyear if you or your dependent loses other health care coverage, as described in “Special Enrollment Events” in the 2006–2007 edition of your health care summary plan description. For this purpose, loss of “other health care coverage” does not include coverage through Medicare or Medicaid.
When an Injury or Illness Is Caused by the Negligence of Another

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, this plan will pay benefits if the covered person agrees to cooperate with the service representative in administering the plan's recovery rights.

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

- Notify the plan within 30 days of giving notice to any party, including an insurance company or attorney, of the covered person's intention to pursue a claim.
- Complete a claim and submit all bills related to the injury or illness to the responsible party or any insurer.
- Complete and submit all of the necessary information requested by the service representative.
- Reimburse the plan from any payment he or she receives from the responsible party or any other source.
- Allow the plan to be subrogated to all rights of recovery a covered person has against the responsible party or any other source and to cooperate with the service representative's efforts to recover from the responsible party or any other source any amounts this plan pays in benefits related to the injury or illness, including any lawsuit brought against the responsible party or insurer.
- Grant the plan a lien in the amount of benefits paid which can be enforced against any source of funds available to compensate the covered person for injury or illness caused by another party.

This provision applies whenever you or a covered dependent is entitled to or receives benefits under this plan and is also entitled to or receives compensation or any other funds from another party in connection with that same 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 as a first-priority right, whether or not the individual has been “made whole,” and without regard to any common fund doctrine. The plan is entitled to such funds regardless of whether the plan's benefits are identified as being included in the funds and regardless of whether liability for payment of the funds is admitted by the responsible party or any other source of the funds. This plan may recover such funds by constructive trust, equitable lien, right of subrogation, reimbursement, or any other remedy allowed under applicable law.

The covered person shall do nothing to prejudice the plan’s subrogation or recovery interest, including, but not limited to, refraining from making any settlement or recovery that attempts to reduce or exclude the full cost of all benefits provided by the plan. 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 remedy or recovery allowed under applicable law, against any and all persons or entities who have assets that the plan can claim rights to. The plan has a first-priority right of 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.
In the event that any claim is made that any part of this subrogation and recovery provision is ambiguous or questions arise concerning the meaning or intent of any of its terms, the plan or service representative shall have the sole authority and discretion to resolve all disputes regarding the interpretation of this provision.

**Savings Plan**

Effective January 1, 2009, employees may contribute from 1 to 25 percent on a pretax, after-tax, or combination of pretax and after-tax basis, in 1 percent increments.

**For More Information**

Contact the Boeing service centers through Boeing TotalAccess.

- **On the Boeing Web:** Log on to https://my.boeing.com and click the TotalAccess tab.
- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password.
- **By telephone:** Call 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Customer service hours vary by service center; representatives generally are available during regular business hours.

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**Plan Amendment Information**

This *Update* is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and The Boeing Company Master Welfare Plan document and/or the Plan documents listed above, the terms of The Boeing Company Master Welfare Plan document and/or the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing service centers through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Savings Plan Changes

Participants in the Boeing Savings Plans

This Update describes the increase in the Plans contribution maximum to 25 percent of your pay, a change in the recordkeeper name to ING, and the option for participants to roll over their eligible rollover distributions directly to a Roth IRA. In addition, it describes the VIP direct loan deposit option and the automatic enrollment feature for certain unions.

This Update summarizes plan changes that affect your savings plan(s) and updates your summary plan description(s). The effective date of each change is noted in each section.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes in this Update apply to the following plans:

- The Boeing Company Voluntary Investment Plan (Plan 002) (VIP)
- BAO Voluntary Savings Plan (Plan 028) (BAO VSP)
- The Boeing Company Employee Financial Security Plan (Plan 003) (FSP)
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Defined Contribution Plan (Plan 022) (DC RIP)
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Hourly Defined Contribution Plan (Plan 024) (Hourly DC RIP)

The following section applies only to active employees in the VIP and BAO VSP.

Increase to Contribution Limit

Effective January 1, 2009, you will be able to elect to contribute up to 25 percent of your base pay (subject to the regulatory limits on base pay and total contributions) to your Boeing savings plan. Your employee contribution may come from pretax dollars, aftertax dollars, or a combination of the two.

The following sections apply to participants in the VIP, BAO VSP, FSP, DC RIP, and Hourly DC RIP.

Plan Recordkeeper Name Change

The recordkeeper for all savings plans has been CitiStreet. Effective July 1, 2008, ING acquired CitiStreet. There have been no changes to your savings plan(s) as a result of this acquisition, just a change in the name of the recordkeeper.

Direct Rollover to a Roth IRA

Effective January 1, 2008, you, or your beneficiary, may be eligible to roll over an eligible rollover distribution directly to a Roth IRA. This option is in addition to the current rollover options, and your distribution must meet special tax requirements to be eligible. Also, note that generally, except to the extent it represents a return of aftertax contributions, an amount that is rolled over into a Roth IRA is includible in gross income. You are responsible for determining whether your distribution is eligible for a Roth rollover.
Refer to the Boeing Savings Plans’ Termination Guide and Special Tax Notice for more details about this rollover option. Both can be found in the “Forms” section of Boeing Savings Plans Online or by contacting the Boeing Savings Service Center through Boeing TotalAccess.

This change is the result of the Pension Protection Act of 2006.

The following section applies only to employees eligible for the VIP.

**Direct Deposit for Loans**

Effective July 14, 2008, if you decide to take a loan from your VIP account, you may request that the loan amount be electronically deposited in your bank account. You must request the loan from Boeing Savings Plans Online. This new Plan feature, available for both residential and general loans, provides convenient service and improved security when requesting a loan from your VIP Plan.

The following section applies to the VIP and the BAO VSP for newly hired, or rehired, employees represented by certain unions. **Note:** All other eligible nonunion and union employees not listed below were previously eligible for this feature.

**Automatic Enrollment**

If you are newly hired, or rehired, you will be enrolled automatically in the Boeing Savings Plan for which you are eligible at a pretax contribution rate of 4 percent of your base pay. These pretax contributions will be deducted automatically from your paycheck 60 calendar days after you become eligible to participate in the Plan. However you may actively enroll at a different contribution rate, or elect not to participate, in the Plan before the 60-day period expires, in which case automatic enrollment will not apply to you. Your contributions may be eligible for an employer matching contribution. A Boeing Savings Plan Enrollment kit will be sent to you shortly after your hire date that includes information about the employer matching contribution. It also will provide instructions on enrolling and making changes, including the choice not to participate in the Plan, and how to increase your contribution percentage above the automatic 4 percent rate.

You will be sent two reminder notifications before contributions begin automatically, reminding you of the opportunity to actively enroll at a different contribution percentage or to elect not to participate.

If you are automatically enrolled, and do not want to participate, you may be entitled to request a refund of the automatic employee contributions. The request must be made within 60 calendar days following the date of your first automatic contribution to your Boeing Savings Plan account. A refund of your pretax employee contributions plus any investment earnings or losses will be made to you in the form of a check from State Street (the Plan trustee). Any employer matching contributions attributable to the automatic contributions being refunded will be forfeited. You will receive an IRS Form 1099 for the year in which the refund occurred in January of the following year. The refunded contribution plus any related earnings or losses will not be considered an eligible rollover distribution and will not be subject to a 10 percent early withdrawal penalty.

You may request a refund on line, or by calling the Boeing Savings Service Center through Boeing TotalAccess and speaking with a customer service representative within the 60-day window. See “For More Information,” on page 3, for account access instructions.

**The following unions participate in the VIP automatic enrollment feature:**

*Effective January 1, 2008*
International Brotherhood of Electrical Workers
   Local No. 1

*Effective April 1, 2008*
International Association of Firefighters
   Local No. 1-66 (Missouri)
Effective January 1, 2009
Electronic and Space Technicians Local No. 1558
International Association of Firefighters Local No. I-66 (Washington and Kansas)
International Brotherhood of Electrical Workers Local No. 271
International Brotherhood of Teamsters
    Local No. 174
    Local No. 795
International Union of Security, Police and Fire Professionals of America Local No. 250

Effective January 1, 2009, through May 25, 2009
International Union, United Automobile, Aerospace, and Agricultural Implement Workers Local No. 1069
(UAW 1069)

From January 1, 2009, through May 25, 2009, the automatic enrollment feature was applied in error to employees
represented by the UAW 1069. Effective May 26, 2009, new hires represented by UAW 1069 are not eligible for
the automatic enrollment feature.

The following unions participate in the BAO VSP automatic enrollment feature:

Effective January 1, 2008
International Association of Machinists and Aerospace Workers
    District Lodge No. 74, Local No. 2531
    District Lodge No. 110, Local No. 1859
    District Lodge 110, Local No. 2296
    Local No. 2515
    Local No. 568

    District Lodge No. 75, Local No. 50

Effective January 1, 2009
International Association of Machinists and Aerospace Workers District Lodge No. 110, Local No. 2296

For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to https://my.boeing.com and click the TotalAccess tab.

- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMS ID number (or Social
  Security number) and your Boeing TotalAccess password. Subsidiary participants (except BAO VSP) log on to

- **By telephone:** Call 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have
  your BEMS ID number (or Social Security number) and Boeing TotalAccess password available when you call.
  Customer Service representatives are available weekdays between 8 a.m. and 8 p.m. Central time.
Plan Amendment Information

This Update is a summary of material modifications to your summary plan descriptions for:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- BAO Voluntary Savings Plan (Plan 028)
- The Boeing Company Employee Financial Security Plan (Plan 003)
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Salaried Defined Contribution Plan (Plan 022)
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Hourly Defined Contribution Plan (Plan 024)

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this Update. If there is any discrepancy between this Update and the Plan documents listed above, the Plan documents will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plan described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their beneficiaries.
Savings Plans Changes

BAO VSP to Merge Into the VIP

This Update summarizes plan changes that affect your savings plan(s) and updates your summary plan description(s). The effective date of the changes is November 2, 2009, unless otherwise noted. The changes apply to you if you have an account in the BAO Voluntary Savings Plan (BAO VSP). This Update is for your information and is being provided to you as required by Federal law.

Effective November 2, 2009, the BAO VSP will merge into The Boeing Company Voluntary Investment Plan (VIP). Enclosed is your copy of the VIP SPD, Updates, and VIP prospectus. Your BAO VSP account balance will automatically transfer to the VIP. If you do not already have a VIP account, one will be established for you.

Your BAO VSP account will be valued as of 4 p.m. Eastern time, on Friday, October 30, 2009, for merger into the VIP. The October 30, 2009, BAO VSP fund prices will be used to purchase units of similar funds in the VIP (see page 3 on how your BAO VSP investment funds will transfer to funds in the VIP). As of 9 a.m. Eastern time on November 2, 2009, your BAO VSP account balance will automatically be reflected in your VIP account. The balance of your BAO VSP account will be invested at all times.

The following information provides more details about the BAO VSP merger and how it affects you and highlights the differences between the BAO VSP and VIP.

Overview

All BAO VSP balances will transfer automatically to the VIP the weekend of October 31, 2009. If you are an active participant, your current BAO VSP contribution elections, investment elections, and outstanding loans will automatically transfer to the VIP. From 4 p.m. Eastern time, on October 28, 2009, until 9 a.m. Eastern time, on November 2, 2009, you will be restricted from changing your contribution election or investment election, enrolling, making fund transfers or reallocations, requesting an in-service withdrawal or loan, requesting a termination distribution, and conducting all other plan transactions with respect to your BOA VSP account that transfers to the VIP. This short restriction period is necessary to ensure a smooth transition of your BAO VSP account to the VIP. This restriction will not affect your VIP account. If you already have a VIP account, you will continue to have full access to your existing account, including making investment elections and fund transfers. In other words, the restriction will not affect your existing VIP account.

As of 9 a.m. Eastern time, on November 2, 2009, you will have full access to your account in the VIP, which will include the assets transferred from your BAO VSP account.

You should review your investment strategy in the BAO VSP before and after the short restriction period and make any investment election changes and fund transfers according to your wishes. The VIP offers 19 investment funds, most of which are very similar to those investment funds offered in the BAO VSP. For more information see “VIP Features Will Become Effective November 2, 2009,” on page 2, and “How the Funds Will Transfer to the VIP,” on page 3.

Under both plans, a transfer out of an investment fund that is executed during the 15 calendar-day period after a transfer into that fund is subject to a redemption fee. This rule will not apply to the transfer of funds that occurs because of the merger of BAO VSP accounts into the VIP, although it will apply to subsequent transfers of former BAO VSP funds within the VIP.

If you are an active participant in the BAO VSP, your eligibility to receive employer matching contributions and/or company retirement contributions will not change or be affected by the BAO VSP merger to the VIP. You will
continue to receive the same employer matching contributions and/or company retirement contributions you received in the BAO VSP (assuming that your job classification or employment status has not changed).

The beneficiary(ies) you have designated for your BAO VSP account will automatically be updated to your VIP account. If you have accounts in both plans, with different beneficiaries, your designated beneficiary(ies) in the VIP will automatically become your beneficiary(ies) for your merged BAO VSP account. If this is not your intention, you will need to update your VIP beneficiary(ies) designation on or after November 2, 2009.

**VIP Features Will Become Effective November 2, 2009**

The VIP and the BAO VSP are very similar—most plan features are identical—however, there are additional features in the VIP that the BAO VSP does not have. These VIP features include the following:

- **The VIP Boeing Stock Fund dividend payout program.** The VIP Boeing Stock Fund dividend payout program allows you to choose how you want to receive your quarterly dividend. If you are invested in the Boeing Stock Fund when your BAO VSP account transfers to the VIP on November 2, you will automatically be set up for the VIP Boeing Stock Fund dividend reinvestment option. The dividends are used to purchase additional Boeing Stock Fund units. The other option is that you may choose to have your dividends paid to you in cash. If you elect this option, a check will be mailed as soon as administratively possible after the dividend payment date. Your payment will be taxable as ordinary income but will not be subject to the early withdrawal penalty. Taxes will not be withheld from cash dividend payments.

  You may elect how you want your dividend paid—either in cash or reinvested in the Boeing Stock Fund—anytime before 4 p.m. Eastern time on the day before the “ex-date.” The ex-date is the date on which the owner/seller, and not the buyer, of a stock will be entitled to a recently announced dividend. The ex-date will be posted each quarter on the Boeing Corporate Secretary’s Dividend Payment History web site: http://www.boeing.com/companyoffices/financial/table.html.

  Your balance in the VIP Boeing Stock Fund on the day before the ex-date determines the amount of your dividend. Stock fund units acquired on or after the ex-date will not receive a dividend in the current quarter. You can make your election online or by telephone. To make your election online, go to the Dividends section of your account at Boeing Savings Plans Online. See “For More Information” on page 6 for instructions on accessing your savings account.

  Once you have made an election, it will remain in place until you change it; you do not need to make an election each quarter. You can change your election at any time; however, to be effective for the current-quarter dividend, you must make the change before the ex-date. If you do not make any election regarding dividends, your dividends automatically will be reinvested in the VIP Boeing Stock Fund.

  For the VIP to offer a dividend payout program, the IRS requires that the Boeing Stock Fund is designated as an employee stock ownership plan (ESOP). Structuring the Boeing Stock Fund as an ESOP results in tax savings for the Company and provides participants with more flexibility in managing their VIP accounts.

  **Note:** Participants who transfer their balances out of the Boeing Stock Fund after the ex-date but before the dividend payment date for a given quarter will still receive that quarter’s dividend, to be either reinvested in the Boeing Stock Fund or paid in cash, as elected by the participant.

- **Direct deposit of loan proceeds to your bank account.** You may request to have your loan from the VIP electronically deposited in your bank account. You must make the VIP loan request through Boeing Savings Plans Online. You need to make sure your banking information is on your VIP account for at least seven calendar days before you can request to have your loan electronically deposited. After logging onto Boeing Savings Plans Online, close the News & Reminders page, and click “Boeing Company VIP Details” in the center of the screen. Click “Banking Information” from the “Personal Information” drop-down menu in the top menu bar to set up your banking information in your VIP account any time on or after November 2, 2009.

- **Direct payments and payoffs of VIP loans.** If you are an active participant, or a participant on an approved leave of absence, you may pay off your VIP loan by making an electronic payment from your bank account to the VIP. This direct payment feature is also referred to as “direct debit.”
If you terminate employment with the Company, and you have an outstanding VIP loan, you will have the option to make monthly loan payments after you leave the Company through this electronic loan repayment direct debit process. Active, as well as leave of absence, participants do not have the option to make monthly loan payments by electronic payment.

Additional information on how to elect the direct deposit and direct payment options for VIP loans can be found in the Loan Guide, available in the Forms section of Boeing Savings Plans Online.

- **The VIP annuity distribution payment option.** When you leave Boeing, BAO, or any other Boeing subsidiary or affiliate, you now have the option to purchase a commercial period-certain annuity from your VIP account in addition to the other distribution options available under the Plan.

## How the Funds Will Transfer to the VIP

Balances in the BAO VSP will transfer as shown in the following table. Every effort has been made to replace the BAO VSP funds with VIP funds that have similar investment objectives and risk profiles. See the enclosed VIP fund fact sheets, which provide a detailed description of each fund.

You are encouraged to review the VIP fund information to prepare for the BAO VSP merger and make any necessary changes before the plan merger. If you are comfortable with your current investment allocation and how your investment funds will transfer over to the VIP, no further action is necessary. The BAO VSP funds will map to the VIP funds as shown below:

<table>
<thead>
<tr>
<th>BAO VSP Fund Options</th>
<th>VIP Fund Options</th>
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</thead>
<tbody>
<tr>
<td>Lifecycle Retirement Fund</td>
<td>Lifecycle Retirement Fund</td>
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<tr>
<td>Lifecycle 2010 Fund</td>
<td>Lifecycle 2010 Fund</td>
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<tr>
<td>Lifecycle 2020 Fund</td>
<td>Lifecycle 2020 Fund</td>
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<td>Lifecycle 2030 Fund</td>
<td>Lifecycle 2030 Fund</td>
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<tr>
<td>Lifecycle 2040 Fund</td>
<td>Lifecycle 2040 Fund</td>
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<tr>
<td>Bond Market Index Fund</td>
<td>Bond Market Index Fund</td>
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<tr>
<td>Balanced Index Fund</td>
<td>Balanced Index Fund</td>
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<tr>
<td>S&amp;P 500 Index Fund</td>
<td>S&amp;P 500 Index Fund</td>
</tr>
<tr>
<td>Russell 2000 Index Fund</td>
<td>Russell 2000 Index Fund</td>
</tr>
<tr>
<td>International Index Fund</td>
<td>International Index Fund</td>
</tr>
<tr>
<td>BAO Stable Value Fund</td>
<td>VIP Stable Value Fund</td>
</tr>
<tr>
<td>Large Companies Value Fund</td>
<td>Large Companies Value Fund</td>
</tr>
<tr>
<td>Large Companies Core Fund</td>
<td>Large Companies Core Fund</td>
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<tr>
<td>Large Companies Growth Fund</td>
<td>Large Companies Growth Fund</td>
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<tr>
<td>Large Companies International Fund</td>
<td>Large Companies International Fund</td>
</tr>
<tr>
<td>Small/Mid Companies Value Fund</td>
<td>Small/Mid Companies Value Fund</td>
</tr>
<tr>
<td>Small/Mid Companies Growth Fund</td>
<td>Small/Mid Companies Growth Fund</td>
</tr>
<tr>
<td>Science and Technology Fund</td>
<td>Science and Technology Fund</td>
</tr>
<tr>
<td>Boeing Stock (traditional) Fund</td>
<td>Boeing Stock (ESOP) Fund</td>
</tr>
</tbody>
</table>

**Special Note:** Neither The Boeing Company, BAO, or any Boeing affiliate or subsidiary, the funds' managers, the Plans' fiduciaries, or the U.S. Government underwrite, warrant, guarantee, or in any way insure the performance of any investment option available through the Plans.
Key Dates for the BAO VSP/VIP Merger

<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
</tr>
</thead>
</table>
| October 28, 2009, at 4 p.m., Eastern time | Restricted from the following transactions in the BAO VSP:  
  - Enrolling in BAO VSP, making contribution percentage changes  
  - Making investment election changes, fund transfers, or fund reallocations  
  - Requesting a loan, in-service withdrawal, or termination distribution  
  - Designating beneficiary(ies) |
| October 29, 2009                   | Final contributions are posted to BAO VSP from salaried paycheck       |
| October 30, 2009, at 4 p.m., Eastern time | Final valuation of BAO VSP accounts                                   |
| October 31, 2009                   | BAO VSP accounts will no longer be available from the Boeing Savings Service Center automated phone system and will no longer appear on the home page of the Boeing Savings Plans Online web site or on the Savings & Pension portal of Boeing TotalAccess; however, the transfer will be reflected in the VIP Transaction History section of the web site |
| November 2, 2009, at 9 a.m., Eastern time | Participants have full access and visibility to transferred BAO VSP accounts in the VIP |
| November 5, 2009                   | First postmerger contributions and loan repayments are posted to VIP from hourly paycheck |

Frequently Asked Questions

**Will I need to enroll in the VIP?**

No. Your current contribution election will transfer to the VIP. Please make sure you are comfortable with your BAO VSP election and how your investment allocation will map to the VIP before the plan merger occurs. If you want to make a change, it will need to be made by October 28, 2009, at 4 p.m. Eastern time. You will be restricted from making any changes to your BAO VSP account from 4 p.m. Eastern time, October 28, 2009, until 9 a.m. Eastern time, November 2, 2009, when it will be a VIP account.

**Why is my BAO VSP account being merged into the VIP?**

If you currently have accounts in both the BAO VSP and the VIP, merging them will give you the convenience of having your money in one plan. This will make it easier to access your account for any transactions you would like to make including monitoring the performance of your plan investments. Merging the two plans also simplifies savings plan accounting and recordkeeping and reduces plan administration costs.

**If I have a question about my BAO VSP account, whom should I call?**

Call the Boeing Savings Service Center through Boeing TotalAccess at 1-866-473-2016. When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press the zero key to be transferred to a customer service representative. Customer service representatives are available weekdays between 8 a.m. and 8 p.m. Central time. Customer service representatives will have general information about the BAO VSP merger into the VIP.

**Do I need to do anything?**

No. Your BAO VSP account will automatically move into the VIP the weekend of October 31, 2009, so you do not need to take any action. If you have BAO VSP and VIP accounts with different beneficiaries, see the question on page 5.
Will I need to designate a new beneficiary once my BAO VSP account balance is transferred into the VIP?

You may, depending on your situation. Below are the situations requiring you to designate a beneficiary:

- If you do not already have a beneficiary designated for your BAO VSP.
- If you have an account in both plans, and you do not have a beneficiary designated for either plan.
- If you have an account in both plans, and you have a different beneficiary designated for both accounts, your current VIP beneficiary(ies) will automatically become your beneficiary(ies) for your merged BAO VIP account. If this does not follow your wishes, you will need to change your beneficiary designation. For more information, see the Helpful Hints guide at the end of the Beneficiary Designation form in the Forms section of Boeing Savings Plans Online.

If you need to designate or change your beneficiary, you may do this online in your VIP any time after the plan merger on November 2, 2009. After logging onto Boeing Savings Plans Online, close the News & Reminders page, and click “Boeing Company VIP Details” in the center of the screen, and then click “Beneficiary Information” from the “Personal Information” drop-down menu in the top menu bar. To add or change a beneficiary, click “Add/Edit Beneficiary” from the menu on the left and follow the prompts.

You may also print a Beneficiary Designation form from the Forms section of your VIP account in Boeing Savings Plans Online, or request a form from the Boeing Savings Service Center.

If you are married, you must designate your spouse as your beneficiary. However, you may designate someone other than, or in addition to, your spouse as your primary beneficiary if you obtain your spouse’s written consent. Federal law requires your spouse’s notarized consent on the Beneficiary Designation form; otherwise, your spouse will be the sole primary beneficiary of your account.

It is very important to designate a beneficiary to ensure your wishes are followed in the event of your death.

What if I do not already have a VIP account?

If you do not have a VIP account, an account will be set up for you. Please make sure that your beneficiary designation is up to date, according to your wishes. See the beneficiary designation instructions above.

Will my BAO VSP loan repayments be affected by the BAO VSP/VIP merger?

No. Your loan payments in the BAO VSP will continue automatically through payroll deduction to your VIP account after the plan merger. Because you will remain on the same payroll frequency as before, your loan payment amounts will not change. The same deduction amounts will continue to be deducted from your paycheck, until the loan is paid off.

You will continue to have the option to request up to two loans from the VIP at any time. If you have an outstanding BAO VSP loan converting to the VIP, this loan will count toward the maximum two loans you can take from the VIP. More information is available in the Boeing Savings Plans Loan Guide in the Forms section of Boeing Savings Plans Online.

Will I receive a participant statement of my merged BAO VSP balance?

Yes. You will receive a final participant statement of your BAO VSP account along with a VIP statement in late November/early December 2009 showing your BAO VSP account as the “converted in” balance. The December 31, 2009, annual VIP account statement will also show the merged transaction.

You may also print a statement of your BAO VSP account before October 28, 2009, at Boeing Savings Plans Online. Account information up to the last 24 months is available. BAO VSP account history will not transfer to your VIP account after your BAO VSP account is converted into the VIP. To print your BAO VSP statement online, after you are in your account, click “Statement” at the “My Account” page. You may specify a time period up to the last 24 months, or one of the other options listed on the page. Follow the remaining prompts to display and print your statement.
If I want to elect to receive my quarterly Boeing stock dividends in cash, how soon can I do that after the plan merger and how do I do it?

You may elect the Boeing Stock Fund dividend payout option as soon as full access to your VIP account is available at 9 a.m. Eastern time on November 2, 2009. To elect the dividend payout option, log onto Boeing Savings Plans Online, close the News & Reminders page, and click “Boeing Company VIP Details” in the center of the screen, click “Dividends” in the left-hand menu, and follow the prompts. You may also make this request by calling the Boeing Savings Service Center through Boeing TotalAccess. See “For More Information,” below, for instructions on accessing your savings account.

For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess for the BAO VSP and VIP:

- **On the Boeing Web:** Log on to https://my.boeing.com and click the TotalAccess tab.
- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password.
- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press the zero key to be transferred to a customer service representative. Service representatives are available weekdays between 8 a.m. and 8 p.m. Central time.

Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- BAO Voluntary Savings Plan (Plan 028)
- The Boeing Company Voluntary Investment Plan (Plan 002)

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended.

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and the Plan documents listed above, the terms of the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the VIP and to merge the BAO VSP into it as described in this *Update*, the Company reserves the right to change, modify, amend, or terminate them at any time for any reason for employees, former employees, retirees, and their dependents.
Summary of a VIP Plan Change

Employees Represented by IAM 751, 24, and 70

This Update describes how you can contribute your lump-sum bonus to your VIP account.

This Update summarizes a collectively bargained change that affects your Voluntary Investment Plan (VIP) and updates your summary plan description. The effective date of the change is January 1, 2009.

This Update is for your information and is being provided to you as required by Federal law.

The change in this Update will apply to The Boeing Company Voluntary Investment Plan (Plan 002).

Eligibility

This change will apply to you if, as of September 4, 2009 (or as of September 3, 2010), you are

- An active employee of The Boeing Company (the “Company”), or
- On a leave of absence of 90 days or less from the Company, or
- On an approved military leave from the Company

who is represented by the International Association of Machinists and Aerospace Workers (IAM), Local Nos. 751, 24, and 70.

How to Contribute Your Bonus to the VIP

For 2009, if you meet the eligibility requirements above as of September 4, 2009, you will receive a lump-sum bonus of $1,500, which you will have the opportunity to divert (“contribute”) to the VIP.

For 2010, if you remain eligible by meeting the eligibility requirements above as of September 3, 2010, you will receive a second lump-sum bonus of $1,500 in 2010, and you will have the same opportunity next year to contribute your 2010 bonus to the VIP. Information reminding you of this option will be provided to you next fall.

For 2009, a special enrollment period is scheduled from October 1 through October 30, 2009, to allow you to make an election to contribute your 2009 lump-sum bonus to your VIP account. The special enrollment period will end as of 4 p.m. Eastern time, on October 30, 2009. During the special enrollment period, you will be able to elect to have your entire bonus contributed to your VIP account by accessing your VIP account at Boeing Savings Plans Online, or by calling Boeing TotalAccess and speaking with a customer service representative.

Elect to Contribute Your Bonus Through Boeing Savings Plans Online

- **At work**—Use your network credentials to log on to MyBoeing at https://my.boeing.com. **At home**—Use your Boeing TotalAccess password and BEMS ID number (or Social Security number) to log on to www.boeing.com/express.
- Click **TotalAccess**.
- From the TotalAccess Menu in the left hand column, click **My Savings & Pension**.
- In the center column, click **Retirement Savings Plans**.
- Click **Boeing Savings Plans Online**.
Click the Close button on the News & Reminders page.

Click the Boeing Company VIP Details link.

At the “My Account” page, click “Contributions” on the left navigation bar.

Click the “Bonus Contributions” menu option on the left navigation bar and follow the prompts.

**Elect to Contribute Your Bonus by Speaking With a Customer Service Representative**

- Call Boeing TotalAccess at **1-866-473-2016** (TTY/TDD services are available at **1-800-755-6363**) and enter your BEMS ID number (or Social Security number).
- When the automated phone system asks “How may I help you today?” say “I would like to speak to the savings department.”
- Enter your TotalAccess password, and you will be transferred to the Boeing Savings Service Center.
- Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service representative who will process your election to contribute your bonus to your VIP account.

You will be sent a confirmation statement of your election to contribute your bonus to your VIP account soon after you have made the election.

Your 2009 lump-sum bonus is scheduled to be paid on November 19, 2009. If you choose to contribute your bonus to your VIP account, it will be credited to your account on that same day, and you can view it in your VIP account the following day. *(Note: If you transfer to a nonunion position, your bonus is scheduled to be contributed to your VIP account on November 27, 2009, and you can view it in your VIP account the following day.)*

If you transfer to another position that is not an IAM 751–, 24–, or 70–represented position, you will still be eligible to receive the bonus and contribute it to your VIP account as long as you were eligible for the bonus payment on September 4, 2009.

If you terminate your employment after September 4, 2009, you will still be eligible to contribute your 2009 lump-sum bonus to your VIP account if you choose. However, if you have not made your election before your termination of employment, you must make your election before the election period ends on October 30, 2009, by calling a Boeing Savings Service customer service representative. See directions above.

**Frequently Asked Questions**

**Q. Will the Company match my bonus if I contribute it to my VIP account?**

**A.** No, the bonus deferral is not eligible to receive employer matching contributions.

**Q. When can I elect to contribute my lump-sum bonus to my VIP account?**

**A.** The special enrollment period for electing to contribute your 2009 lump-sum bonus will begin 9 a.m. Eastern time on October 1, 2009, and will end at 4 p.m. Eastern time on October 30, 2009.

**Q. I am close to reaching, or have reached, the annual pretax limit for the year. Can I still contribute my bonus if I will, or have, gone over the annual pretax limit?**

**A.** Yes, if you have elected to contribute your bonus to your VIP account and you have reached the annual pretax limit ($16,500 in 2009), any contribution in excess of that amount will be made on an aftertax basis. This is true for your regular contributions as well as the contribution of your bonus. If this occurs, taxes will be withheld on the portion of the contribution that exceeds the annual pretax limit.

If you reach the annual pretax limit, you will not have the option to contribute your bonus as catch-up contributions.
Q. Do I need to contribute my entire bonus ($1,500), or can I elect to contribute a percentage or dollar amount of my bonus?

A. The only options are to contribute your entire bonus, or none of it. When you go online to elect to contribute your bonus, your options will be to enter either 0% or 100%.

Q. If I elect to contribute my bonus, can I change my mind and cancel that election?

A. Yes, as long as the enrollment period is still open (through 4 p.m. Eastern time on October 30), you may change your election. However, once the enrollment period ends, you will not have the ability to change your election.

Q. If my bonus is contributed to the VIP and I later need the money and want to take it out of my VIP account, can I do that?

A. Once the contribution is made to your VIP account, all of the rules regarding other pretax contributions will apply. You will only be able to withdraw these funds under certain hardship conditions, or when you reach age 59 ½, or terminate employment. If your bonus was contributed on an aftertax basis, the rules regarding aftertax contributions will apply. See your summary plan description for details.

Q. Will I still be eligible to contribute my bonus if I transfer to a position that is not represented by the IAM 751, 24, or 70?

A. Yes, as long as you meet the qualifications to receive the bonus, you will be eligible to contribute your bonus to your VIP account.

Q. Will I be eligible to contribute my bonus if I am laid off or leave the Company after I become eligible to receive the bonus on September 4?

A. Yes, anyone who is eligible to receive a bonus may elect to contribute the bonus to their VIP account. However, if you have not made your election before your termination of employment, you will need to make your election by calling the Boeing Savings Service Center through Boeing TotalAccess and speaking to a customer service representative during the election period, which ends at 4 p.m. Eastern time on October 30, 2009.

Q. Will I need to make an election in 2010 to contribute my bonus to my VIP, or will my election this year automatically apply for next year?

A. Yes, you will need to make a new election in 2010; the election you make in 2009 will not be retained. A reminder will be provided to you before the 2010 enrollment period assuming you are then eligible to receive the 2010 lump-sum bonus.

For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- On the Boeing Web: Log on to https://my.boeing.com and click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- On the World Wide Web: Log on to http://www.boeing.com/express using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Click the TotalAccess tab. In the top right column, under TotalAccess, click TotalAccess Online Form to submit questions.

By telephone: Call 1-866-473-2016. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password when you call. When the system asks “How may I help you today?” say, “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service representative. Hearing impaired callers with a telephone typewriter can access TTY/TDD services at 1-800-755-6363. Customer service representatives are available weekdays between 8 a.m. and 8 p.m. Central time.
# Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and the Plan document listed above, the terms of the Plan document listed above will control. Copies of the summary plan description may be obtained by contacting the Boeing Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plan described in this *Update*, the Company reserves the right to change, modify, amend, or terminate it at any time for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Savings Plan Changes

Participants in the Boeing Savings Plans

This Update describes the addition of the 2050 Lifecycle Fund and the 2010 Lifecycle Fund merging into the Lifecycle Retirement Fund.

This Update summarizes plan changes that affect your savings plans(s) and updates your summary plan description(s). The effective date of these changes is December 18, 2009, unless otherwise noted.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes in this Update apply to the following plans:

- The Boeing Company Voluntary Investment Plan (Plan 002) (VIP)*
- The Boeing Company Employee Financial Security Plan (Plan 003) (FSP)
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Salaried Defined Contribution Plan (Plan 022) (DC RIP Salaried)
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Hourly Defined Contribution Plan (Plan 024) (DC RIP Hourly)

*The BAO Voluntary Savings Plan (BAO VSP) merged into the VIP on November 2, 2009. If you previously had an account in the BAO VSP, it has now been merged into the VIP, and information in this Update regarding the VIP applies to you.

All savings plans are intended to constitute self-directed plans under Section 404(c) of ERISA and 29 U.S.C. Section 2550.404c-1. Accordingly, the fiduciaries of the Plans are relieved of liability for any losses that are the direct and necessary result of your investment instructions. This means you are responsible for your own investment decisions.

Changes to Lifecycle Fund Investment Options

Effective December 18, 2009, assets in the Lifecycle 2010 Fund will be merged into the Lifecycle Retirement Fund, and the Lifecycle 2010 Fund will no longer be an investment option in the savings plans. If your savings plan account is invested in the Lifecycle 2010 Fund, as of 4 p.m. Eastern time on December 17, 2009, your balance in this fund will be automatically transferred into the Lifecycle Retirement Fund. Investment elections for future contributions to the Lifecycle 2010 Fund will also be changed to the Lifecycle Retirement Fund. The Lifecycle Retirement Fund is designed for people who are already at or near retirement, and it is the most conservative of the lifecycle funds.

If you do not want your Lifecycle 2010 Fund balance to automatically transfer to the Lifecycle Retirement Fund, you will need to transfer your Lifecycle 2010 Fund balance into another savings plan investment option of your choice before 4 p.m. Eastern time on December 17, 2009.

Redemption Fee Grace Period. Normally, a 1.5 percent redemption fee would apply to all transfers out of the Lifecycle Retirement Fund, which are executed during the 15 full calendar days following a transfer into the fund. However, there will be a waiver of all redemption fees that would otherwise apply to all participants in the Lifecycle Retirement Fund for the period from December 21, 2009, through 4 p.m. Eastern time January 5, 2010.
Effective December 21, 2009, a new lifecycle fund, the Lifecycle 2050 Fund, will be offered in the plans. Like the other lifecycle funds, the Lifecycle 2050 Fund is a complete, diversified investment portfolio. The lifecycle funds with dates furthest in the future, such as the Lifecycle 2050 Fund, start out in the earlier years with the most aggressive investment mix—primarily focusing on stocks for long-term growth. As 2050 approaches, the investment strategy automatically adjusts to become more conservative, investing less in stocks and more in bonds. When the Lifecycle 2050 Fund reaches its target date, the fund will be merged into the Lifecycle Retirement Fund.

Please refer to the enclosed information sheet for more information about the new Lifecycle 2050 Fund.

For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab.

- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Subsidiary participants (except BAO employees) log on to [https://my-ext.boeing.com](https://my-ext.boeing.com).

- **By telephone:** Call Boeing TotalAccess at **1-866-473-2016**. TTY/TDD services are available at **1-800-755-6363**. You must have your BEMS ID number (or Social Security number) and Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service representative. Service center representatives are available weekdays between 8 a.m. and 8 p.m. Central time.

Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan descriptions for:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- The Boeing Company Employee Financial Security Plan (Plan 003)
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Salaried Defined Contribution Plan (Plan 022)
- Employee Retirement Income Plan of McDonnell Douglas Corporation—Hourly Defined Contribution Plan (Plan 024)

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. If there is a conflict between this *Update* and the Plan documents listed above, the terms of the Plan documents will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate the Plans at any time and for any reason for employees, former employees, retirees, and their beneficiaries.
Summary of Benefit Plan Changes and Clarifications

Employees Represented by SPEEA WEU

This Update summarizes the collectively bargained benefits and administrative changes and clarifications that will affect your benefit plans and updates your summary plan descriptions. The effective date of each change is January 1, 2010, unless otherwise noted.

The changes and clarifications in this Update will apply to you if you are an active employee of The Boeing Company (the “Company”) who is represented by the Society of Professional Engineering Employees in Aerospace (SPEEA) and are a Wichita Engineering Unit (WEU) employee.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes or clarifications in this Update will apply to the following plans:
- The Boeing Company Employee Health and Welfare Benefit Plan (Plan 503).
- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Employee Retirement Plan (Plan 001).
- The Boeing Company Voluntary Investment Plan (Plan 002).

Benefit Year Change

Effective January 1, 2010, the benefit year will be based on the calendar year, January 1 through December 31.

There is a six-month plan year from July 1, 2009, through December 31, 2009. During that transition period:

- Expenses applied toward the medical plan out-of-pocket maximum for claims incurred from July 1, 2009, through December 31, 2009, also will be credited toward the medical plan out-of-pocket maximum for claims incurred from January 1, 2010, through December 31, 2010.
- Expenses applied toward medical and dental plan deductibles for claims incurred from July 1, 2009, through December 31, 2009, also will be credited toward medical and dental plan deductibles for claims incurred from January 1, 2010, through December 31, 2010.

If the medical or dental plan you are enrolled in from July 1, 2009, through December 31, 2009, does not have a deductible or out-of-pocket maximum, 2010 benefit levels will not be affected by this benefit year change.
Eligibility Clarification
Under certain circumstances, you and/or your eligible dependents may enroll in Company-sponsored health care coverage midyear if you or your dependent loses other health care coverage, as described in “Special Enrollment Events” in the 2006 edition of your health care summary plan description. For this purpose, loss of “other health care coverage” does not include coverage through Medicare or Medicaid.

Medical Plans
Medical Plan Choices
The Selections Plus CCP in Kansas no longer will be offered.

Medical plan choices will be as follows:

Kansas
- Traditional Medical Plan.
- Preferred Plus of Kansas CCP.
- Aetna PPO+Account with a Health Savings Account.

Other Locations
- Traditional Medical Plan.
- Aetna PPO+Account with a Health Savings Account.

Traditional Medical Plan Changes

Annual Deductible
The annual deductible (network and nonnetwork combined) will be the greater of $225 or 0.225 percent of base annual salary per individual ($675 or 0.675 percent of base annual salary per family of three or more).

Lifetime Maximum Benefit
The lifetime maximum benefit will be $2 million per individual.

Mental Health Treatment
- Network coinsurance for outpatient services will be 95 percent.
- Nonnetwork coinsurance for inpatient services will be 60 percent. The nonnetwork 20-day annual limit on inpatient services will be eliminated.
- Nonnetwork coinsurance for outpatient services will be 60 percent. The nonnetwork 20-visit annual limit on outpatient services will be eliminated.

Hearing Aids
The hearing aid benefit maximum will be $800 per ear every three benefit years.

Neurodevelopmental Therapy
The neurodevelopmental therapy benefit maximum will be $1,500 each benefit year.
**Prescription Drug Program**

Retail pharmacy drug purchases will be covered as follows:

- The deductible no longer will apply to retail prescription drug purchases. At a participating pharmacy, you will be required to pay only your portion of the prescription cost at the time of purchase.
- 90 percent generic ($5 minimum; $25 maximum).
- 80 percent brand-name formulary ($15 minimum; $75 maximum) except when a generic equivalent is available.
- 70 percent brand-name nonformulary ($30 minimum; no maximum) except when a generic equivalent is available.
- 34-day supply.

**Pharmacy Management**

Certain dosages, quantities, and medications require preapproval by the service representative. Specific drugs are reviewed by the service representative at the point of sale to determine if the prescription is covered by the plan, clinically appropriate, and consistent with usage guidelines.

The service representative applies standards based on FDA-approved labeling and clinical guidelines. The service representative will seek to ensure that the patient receives the most appropriate prescription for the condition by reviewing:

- Possible interactions with other current prescriptions.
- 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 the physician to approve the changes to dosage and strength before authorizing payment with the 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. The generic incentive program will not apply to therapeutically equivalent drugs.

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. These medications may be purchased at any network retail pharmacy up to two times. After that, the plan will cover these prescriptions only if they are purchased through Medco’s specialty care mail-order pharmacy, called Accredo Health Group.

The service representative will contact you directly if you are taking a specialty medication that is subject to this process.
Preventive Care and Routine Physicals

For network preventive care services and supplies, benefits will be paid as follows:

- Routine physical examinations for employees, spouses or same-gender domestic partners, and children age two and older:
  - 100 percent (annual deductible does not apply) up to $500 each year per covered person, including related office visits, X-ray, and laboratory charges as well as childhood and adult immunizations and vaccines, excluding travel vaccines, as recommended by the U.S. Preventive Services Task Force (USPSTF) guidelines, including the applicable catch-up immunization schedule for children age two to 18 as recommended by the USPSTF guidelines. Covered expenses that exceed the $500 maximum will be subject to the deductible and coinsurance.
  - Limited to one examination per child every benefit year age two through age 18.
  - Limited to one examination per person every three benefit years for age 19 through age 34, then one examination per person every benefit year.

- Routine physical examinations for children to age two:
  - 100 percent (annual deductible does not apply).
  - Limited to eight examinations from birth to age two.
  - Includes immunizations and vaccines, excluding travel vaccines, as recommended by the USPSTF guidelines and the physician, including the applicable catch-up immunization schedule for children age four months to two years as recommended by the USPSTF guidelines.

- Routine Pap tests, mammograms, prostate screenings, and colorectal screenings (including colonoscopies) covered at 100 percent (annual deductible does not apply) as recommended by the physician.

Substance Abuse Treatment

Nonnetwork coinsurance for substance abuse treatment will be 60 percent.

Routine Vision Care

The frame allowance will be $90; the contact lens allowance will be $120.

Wigs

Wigs (and hair prostheses) will be covered at 80 percent, after the annual deductible, up to $500 per year for hair loss resulting from chemotherapy or radiation therapy.

Aetna PPO+Account

Effective January 1, 2010, the Aetna PPO+Account with a Health Savings Account (HSA) will be introduced. The PPO+Account medical plan is a high-deductible health plan. This means it meets Federal requirements that allow the plan to offer an HSA. If you enroll in PPO+Account medical coverage, you may be eligible to set up an HSA through Aetna. Under the PPO+Account you may see any physician you choose. However, your out-of-pocket costs will be lower when you see a network provider for services covered by this plan.

Aetna Health Savings Account

If you enroll in the PPO+Account medical plan, you will have the opportunity to set up a special tax-advantaged bank account, the Aetna HSA, for paying health care services.

The Company has contracted with service representatives to sponsor and administer your HSA. Service representatives answer questions, process transactions, maintain accounts, provide account information, and perform other account services. The current service representatives are as follows:

<table>
<thead>
<tr>
<th>Current HSA Service Representative</th>
<th>HSA Transactions Are Processed by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aetna/JPMorgan Chase</td>
<td>JPMorgan Chase</td>
</tr>
</tbody>
</table>
The Company reserves the right to change a service representative at any time. If this happens, you will be notified in writing.

**Aetna HSA Highlights**

Boeing will make contributions to your account each pay period. You can choose to make your own additional contributions through payroll deductions. Contributions will not be subject to Federal income tax, but if you live in certain states, including California, they will be subject to state tax.

Money in your account earns interest free from Federal tax and is not taxed when withdrawn to pay for qualified health care expenses. However, if you live in certain states, including California, they will be subject to state tax.

If you do not use the money in one year to pay medical expenses, the balance rolls into the next year to use for future medical expenses—even after you retire. There is no limit on how much you can accumulate in your account.

You own the money in your Aetna HSA and choose how to spend or save the funds. If you leave Boeing, the funds are yours to take with you.

**Contributing to Your Aetna HSA**

The amount Boeing will contribute to your account is based on the coverage level you elect. The contributions will be equally divided among your paychecks for the year.

You can make your own optional contributions to your Aetna HSA through payroll deductions. The amount you contribute is subject to Federal limits. You can change your contribution amount at any time during the year, for any reason. Even if you decide not to contribute, you still will receive Boeing’s contribution.

<table>
<thead>
<tr>
<th>Your coverage level:</th>
<th>Boeing contributes:</th>
<th>You can contribute up to:</th>
<th>Total maximum contributions (from Boeing and you):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee only</td>
<td>$1,000</td>
<td>$2,000*</td>
<td>$3,000**</td>
</tr>
<tr>
<td>Employee + spouse or child(ren)</td>
<td>$1,750</td>
<td>$4,200*</td>
<td>$5,950**</td>
</tr>
<tr>
<td>Employee + spouse and child(ren)</td>
<td>$2,500</td>
<td>$3,450*</td>
<td>$5,950**</td>
</tr>
</tbody>
</table>

* If you are age 55 or older (or will turn 55 in 2010), you can contribute up to an additional $1,000 as a “catch-up” contribution in 2010.

** Contributions are subject to Federal limits and are adjusted annually. The contribution limits shown here are for 2009; 2010 limits are not known at this time, but will apply to the Aetna HSA on January 1, 2010.

The amount that Boeing will contribute to your HSA in 2011, 2012, and 2013 is shown below.

<table>
<thead>
<tr>
<th>Your coverage level:</th>
<th>Boeing contributes:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee only</td>
<td>$700</td>
</tr>
<tr>
<td>Employee + spouse or child(ren)</td>
<td>$1,250</td>
</tr>
<tr>
<td>Employee + spouse and child(ren)</td>
<td>$1,750</td>
</tr>
</tbody>
</table>

**Withdrawals and Tax Implications**

If you withdraw money to pay qualified health care expenses, there is no Federal or state tax in any state. Money withdrawn from an HSA for anything other than qualified medical expenses generally is taxable under Federal law as ordinary income and is subject to a 10 percent tax penalty. The additional 10 percent tax does not apply if the withdrawal is made after your death, disability, or reaching age 65.
**Important HSA Information**

The Aetna HSA is not subject to ERISA (the PPO+Account medical coverage is subject to ERISA).

Because Boeing does not sponsor or endorse the Aetna HSA, there are some differences between it and medical plans sponsored by Boeing:

- Your Aetna HSA will not offer COBRA continuation rights (unlike the PPO medical coverage, which may be continued through COBRA). However, the HSA is your account and it is portable, which means you can maintain it with Aetna after you leave Boeing, or you can move it to another qualified HSA. You also can continue making contributions to your HSA after you leave Boeing, provided you are enrolled in a high-deductible health plan and meet all other contribution requirements.
- Aetna sponsors and administers the HSA; neither Boeing nor the Employee Benefit Plans Committee will have any involvement in HSA administration or claim issues.
- Please keep in mind the HSA is your personal account with Aetna. As a result, Boeing cannot sponsor or endorse it.

**Medical Plan Contributions**

No-contribution medical plan options will be offered in each area as follows:

- Kansas—Preferred Plus of Kansas CCP (or HMO) and PPO+Account.
- All other locations—PPO+Account.

The Traditional Medical Plan will continue to require an employee contribution of 12 percent.

Your contribution amount is governed by your collective bargaining agreement. For additional information regarding your contributions, please refer to your contract/collective bargaining agreement.

**Dental Plans**

**Dental Plan Choices**

Effective January 1, 2010, the Scheduled Dental Plan no longer will be offered.

**Preferred Dental Plan Changes**

The Preferred Dental Plan will be revised as follows:

- Two additional cleanings will be allowed per benefit year if periodontal disease is present.
- Examinations by a specialist will be covered (if the specialty is recognized by the American Dental Association and if the patient is not receiving treatment from the specialist), up to three times in a six-month period.

**Savings and Retirement Plans**

**Voluntary Investment Plan**

Effective January 1, 2009, you may contribute from 1 percent to 25 percent of base pay on a pretax, after tax, or combination of pretax and after tax basis, in 1 percent increments.

Employees hired or rehired on or after January 1, 2010, will receive an automatic Company contribution to the Plan. 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. Employees will be 100 percent vested immediately in this Company contribution. Eligible pay, for the purpose of calculating the Company contribution, is base pay, shift differential, and incentive pay.

Employees hired or rehired on or after January 1, 2010, will be eligible for a Company matching contribution of 100 percent of the first 4 percent of base pay (as defined in the Plan, distinct from “eligible pay” defined above) contributed, and 50 percent of the next 4 percent of base pay contributed by the employee. Employees will be 100 percent vested immediately in the Company matching contribution.
An employee is considered rehired if the employee returns to work from layoff and the return date is more than six years after the date of layoff.

<table>
<thead>
<tr>
<th>Age at End of Year</th>
<th>Automatic Company Contribution</th>
<th>Maximum Company Match (100% of first 4%; 50% of next 4%)</th>
<th>Total Company Contribution (assumes you contribute 8% of pay)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under age 40</td>
<td>3%</td>
<td>6%</td>
<td>9%</td>
</tr>
<tr>
<td>Age 40–49</td>
<td>4%</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>Age 50 and older</td>
<td>5%</td>
<td>6%</td>
<td>11%</td>
</tr>
</tbody>
</table>

If an employee returns directly from an authorized leave of absence or is rehired from a layoff status and returns within six years of being laid off and his or her most recent hire date before they were laid off or began their leave of absence was before January 1, 2010, the Plan provisions in this Update will not apply to the employee.

**The Boeing Company Employee Retirement Plan**

For retirements from the active payroll with a benefit commencement date on or after May 1, 2009, the retirement accrued benefit will be $81 for each year of credited service.

If you are hired or rehired on or after January 1, 2010, you will not be eligible for participation in The Boeing Company Employee Retirement Plan.

For purposes of determining Plan eligibility, you will be considered hired before January 1, 2010, if you are

- On an authorized leave of absence on December 31, 2009, and return to active employment directly from that authorized leave of absence.
- On layoff on December 31, 2009, and return to active employment within six years of the layoff date.
- An active employee on December 31, 2009, go on an authorized leave of absence, and return to active employment directly from that authorized leave of absence.
- An active employee on December 31, 2009, are laid off, and return to active employment within six years of the layoff date.

You are considered rehired if you return to work from layoff and the return date is more than six years after the date of layoff.
For More Information
Contact the Boeing service centers through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab.

- **On the World Wide Web:** Log on to [http://www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number and your Boeing TotalAccess password.

- **By telephone:** Call **1-866-473-2016**. TTY/TDD services are available at **1-800-755-6363**. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Customer service hours vary by service center; representatives generally are available during regular business hours.

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**Plan Amendment Information**

This *Update* is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- The Boeing Company Employee Health and Welfare Benefit Plan (Plan 503).

- The Boeing Company Employee Health Benefit Plan (Plan 626).

- The Boeing Company Employee Retirement Plan (Plan 001).

- The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and The Boeing Company Master Welfare Plan document and/or the Plan documents listed above, the terms of The Boeing Company Master Welfare Plan document and/or the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing service centers through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes and Clarifications

Employees Represented by Fairbanks Joint Crafts Council

This Update summarizes the collectively bargained and administrative changes and clarifications that will affect your benefit plans and updates your summary plan descriptions. The effective date of each change is January 1, 2010, unless otherwise noted.

The changes and clarifications in this Update will apply to you if you are an active employee of The Boeing Company (the “Company”) who is represented by the Fairbanks Joint Crafts Council and its affiliates.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes or clarifications in this Update will apply to the following plans:

- The Boeing Company Voluntary Investment Plan (Plan 002).

Traditional Medical Plan

Annual Deductible

- The network annual deductible will be $250 per individual ($750 per family of three or more).

- A separate nonnetwork annual deductible will apply in the amount of $500 per individual ($1,500 per family of three or more). Nonnetwork charges will apply toward the network annual deductible.

Lifetime Maximum Benefit

The lifetime maximum benefit will be $2 million per individual (network and nonnetwork combined).

Preventive Care and Routine Physicals

For network preventive care services and supplies, benefits will be paid as follows:

- Routine physical examinations for employees, spouses, and children older than age two:
  - 100 percent (annual deductible does not apply) up to $500 each year per covered person, including physical examinations, related laboratory and X-ray charges, as well as childhood and adult immunizations as recommended by the U.S. Preventive Services Task Force guidelines. (Covered expenses greater than the $500 annual maximum are subject to the annual deductible and 90 percent coinsurance.)
  - Limited to one examination per child every benefit year for age 2 through 18.
  - Limited to one examination per person every three benefit years for age 19 through 34, then one examination per person every benefit year.

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• Routine Pap tests, mammograms, prostate screenings, and colorectal screenings (including colonoscopies) covered at 100 percent (annual deductible does not apply) as recommended by the physician.

• Routine physical examinations for children through age two:
  – 100 percent (annual deductible does not apply).
  – Limited to eight examinations from birth to 24 months.
  – Immunizations according to the U.S. Preventive Services Task Force guidelines and as recommended by the physician.

Mental Health and Substance Abuse
Network inpatient mental health and substance abuse treatment will be covered at 90 percent coinsurance after the annual deductible.

Prescription Drug Program
The prescription drug program will be administered as described below.

Specialty Care Pharmacy
Specialty medications are typically injectable medications administered by you or a health care professional, and they often require special handling. These medications may be purchased at any participating retail pharmacy up to two times. After that, the plan will cover these prescriptions only if they are purchased through Medco’s specialty care pharmacy, called Accredo Health Group.

Generic Incentive Program
To encourage the use of generic drugs, if a brand-name drug is purchased when a generic equivalent is available—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 and generic drug.

When an Injury or Illness Is Caused by the Negligence of Another
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, this plan will pay benefits if the covered person agrees to cooperate with the service representative in administering the plan’s recovery rights.

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

• Notify the plan within 30 days of giving notice to any party, including an insurance company or attorney, of the covered person’s intention to pursue a claim.

• Complete a claim and submit all bills related to the injury or illness to the responsible party or any insurer.

• Complete and submit all of the necessary information requested by the service representative.

• Reimburse the plan from any payment he or she receives from the responsible party or any other source.

• Allow the plan to be subrogated to all rights of recovery a covered person has against the responsible party or any other source and to cooperate with the service representative’s efforts to recover from the responsible party or any other source any amounts this plan pays in benefits related to the injury or illness, including any lawsuit brought against the responsible party or insurer.

• Grant the plan a lien in the amount of benefits paid which can be enforced against any source of funds available to compensate the covered person for injury or illness caused by another party.
This provision applies whenever you or a covered dependent is entitled to or receives benefits under this plan and is also entitled to or receives compensation or any other funds from another party in connection with that same 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 as a first-priority right, whether or not the individual has been “made whole,” and without regard to any common fund doctrine. The plan is entitled to such funds regardless of whether the plan’s benefits are identified as being included in the funds and regardless of whether liability for payment of the funds is admitted by the responsible party or any other source of the funds. This plan may recover such funds by constructive trust, equitable lien, right of subrogation, reimbursement, or any other remedy allowed under applicable law.

The covered person shall do nothing to prejudice the plan’s subrogation or recovery interest, including, but not limited to, refraining from making any settlement or recovery that attempts to reduce or exclude the full cost of all benefits provided by the plan. 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 remedy or recovery allowed under applicable law, against any and all persons or entities who have assets that the plan can claim rights to. The plan has a first-priority right of 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.

In the event that any claim is made that any part of this subrogation and recovery provision is ambiguous or questions arise concerning the meaning or intent of any of its terms, the plan or service representative shall have the sole authority and discretion to resolve all disputes regarding the interpretation of this provision.

**Medical Plan Contributions**

Monthly medical plan contributions will be 12 percent of plan rates, not to exceed the maximum contribution caps indicated in the collective bargaining agreement. Contributions are made on a pretax basis.

For additional information, please refer to your collective bargaining agreement.

**Network Dental Plan**

The frequency of covered dental services will be as follows per American Dental Association recommendations:

- Supplementary bitewing X-rays will be covered twice each benefit year for dependent children through age 17 and once each benefit year for adults age 18 and older.

- Osseous surgery will be covered once per area every three benefit years.

**Short-Term Disability Plan**

The maximum weekly benefit amount will be $350.

**When an Injury or Illness Is Caused by the Negligence of Another**

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, this plan will pay benefits if the covered person agrees to cooperate with the service representative in administering the plan's recovery rights.
If a person covered by this plan is injured by another party who is legally liable for the disability income replacement, he or she may request this plan to pay its regular benefit on his or her behalf. In exchange, the covered person agrees to:

- Notify the plan within 30 days of giving notice to any party, including an insurance company or attorney, of the covered person’s intention to pursue a claim.
- Complete a claim and submit all bills related to the injury or illness to the responsible party or any insurer.
- Complete and submit all of the necessary information requested by the service representative.
- Reimburse the plan from any payment he or she receives from the responsible party or any other source.
- Allow the plan to be subrogated to all rights of recovery a covered person has against the responsible party or any other source and to cooperate with the service representative’s efforts to recover from the responsible party or any other source any amounts this plan pays in benefits related to the injury or illness, including any lawsuit brought against the responsible party or insurer.
- Grant the plan a lien in the amount of benefits paid, which can be enforced against any source of funds available to compensate the covered person for injury or illness caused by another party.

This provision applies whenever you or a covered dependent is entitled to or receives benefits under this plan and is also entitled to or receives compensation or any other funds from another party in connection with that same disability, 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 as a first-priority right, whether or not the individual has been “made whole,” and without regard to any common fund doctrine. The plan is entitled to such funds regardless of whether the plan’s benefits are identified as being included in the funds and regardless of whether liability for payment of the funds is admitted by the responsible party or any other source of the funds. This plan may recover such funds by constructive trust, equitable lien, right of subrogation, reimbursement, or any other remedy allowed under applicable law.

The covered person shall do nothing to prejudice the plan’s subrogation or recovery interest, including, but not limited to, refraining from making any settlement or recovery that attempts to reduce or exclude the full cost of all benefits provided by the plan. 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 remedy or recovery allowed under applicable law, against any and all persons or entities who have assets that the plan can claim rights to. The plan has a first-priority right of 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.

In the event that any claim is made that any part of this subrogation and recovery provision is ambiguous or questions arise concerning the meaning or intent of any of its terms, the plan or service representative shall have the sole authority and discretion to resolve all disputes regarding the interpretation of this provision.

**Basic Life Insurance Plan**

The basic life insurance benefit will be $28,000.

**Basic AD&D Plan**

The basic AD&D benefit will be $28,000.
Voluntary Investment Plan

Effective January 1, 2009,

- You may contribute from 1 to 25 percent of base pay on a pretax, aftertax, or combination of pretax and aftertax basis, in 1 percent increments.

- You automatically will be enrolled at a rate of four percent of base pay on a pretax basis 60 days after becoming eligible.

- The Company will contribute an amount equal to four percent of your base pay each pay period as a profit sharing contribution. You are not eligible for a profit sharing contribution while on leave status (for example, educational leave, medical leave, personal leave, or other forms of leave).

For More Information

Contact the Boeing service centers through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab.

- **On the World Wide Web:** Log on to [http://www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number and your Boeing TotalAccess password.

- **By telephone:** Call 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Customer service hours vary by service center; representatives generally are available during regular business hours.

Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:


- The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and The Boeing Company Master Welfare Plan document and/or the Plan documents listed above, the terms of The Boeing Company Master Welfare Plan document and/or the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing service centers through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes and Clarifications

Employees Represented by IAFF I-66 (California), IAM 725, IBEW 2295, IUOE 501 (Welders), and SPFPA 159 and 160

This Update summarizes the collectively bargained and administrative changes and clarifications that will affect your benefit plans and updates your summary plan descriptions. The effective date of each change is January 1, 2010, unless otherwise noted.

The changes and clarifications in this Update will apply to you if you are an active employee of The Boeing Company (the “Company”) who is represented by the

- International Association of Firefighters (IAFF), Local No. I-66 (California).
- International Association of Machinists and Aerospace Workers (IAM), Local No. 725.
- International Brotherhood of Electrical Workers (IBEW), Local No. 2295.
- International Union of Operating Engineers (IUOE), Local No. 501 (Welders).
- International Union, Security, Police and Fire Professionals of America (SPFPA), Local Nos. 159 and 160.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes or clarifications in this Update will apply to the following plans:

- The Boeing Company Voluntary Investment Plan (Plan 002).

Dependent Eligibility

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 25, unmarried, and dependent on you for principal support.

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.

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- A same-gender domestic partner if you and your same-gender domestic partner meet all of the following requirements:
  - You and your partner live in the same permanent residence in a permanent, exclusive, emotionally committed, and financially responsible relationship similar to a marriage, and
  - Your partner is at least 18 years old, is not related to you by blood, is not married to or separated from another person, and is not a domestic partner to anyone else, and
  - Your domestic partner relationship does not exist solely to obtain coverage under the Plan.

If an individual is recognized under state law as your same-gender spouse, he or she qualifies as a same-gender domestic partner under the Plan.

- Unmarried children of your same-gender domestic partner who are under age 25 and dependent on you for principal support. These children are considered stepchildren for the purpose of the medical and dental plans.

- Other children, as follows, who are under age 25, unmarried, and dependent on you for principal support:
  - Children who are related to you either directly or through marriage (e.g., grandchildren, nieces, and 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, a spouse, or a same-gender domestic partner or his or her children.

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

If your spouse, same-gender domestic partner, or dependent child is employed by Boeing and eligible for any type of benefit plan offered by Boeing, your dependent must be covered separately under the plan or plans available to that dependent.

No person may be covered both as an employee (active or retired) and as a dependent under any type of plan offered by Boeing, and no person will be considered a dependent of more than one employee. Eligible dependents do not include other Boeing employees covered under any Company-sponsored plan providing medical, vision care, prescription drug, dental, or similar services. However, if your spouse is a part-time Boeing employee, retired, on approved leave of absence or layoff, or an employee of a subsidiary company, your spouse and eligible dependent children are considered eligible dependents if other Boeing coverage is waived. If you and your spouse both are Boeing employees and have dependent children, you both may elect medical and dental coverage for eligible children under one parent’s plans. As an alternative, parents may elect medical coverage for eligible children under one parent’s plan and dental coverage under the other parent’s plan. In either case, all eligible children must be enrolled in the same medical plan and the same dental plan (except as required by a QMCSO). The same provisions apply to a same-gender domestic partner and his or her children.

**Disabled Children**

A disabled child age 25 or older continues to be eligible (or enrolled if you are a newly eligible employee) if a physician provides proof that he or she is incapable of self-support due to any mental or physical condition that began before age 25. You may be required to confirm the disability from time to time. The child must be unmarried and dependent on you for principal support. Coverage continues under the medical and dental plans for the duration of the incapacity as long as you continue to be enrolled in the plans and the child continues to meet these eligibility requirements.

Special applications for coverage are required for disabled dependent children age 25 or older.
**Medical Plan Choices**

Medical plan choices will be as follows:

- Regence Traditional PPO.
- Aetna PPO+Account.
- Health Net HMO.
- Kaiser HMO.

**Aetna PPO+Account Medical Coverage**

The current PPO+Account with a Health Reimbursement Account (HRA) will be replaced by the PPO+Account with an Aetna Health Savings Account (HSA). The new PPO+Account meets Federal guidelines for a high-deductible health plan. Plan provisions are highlighted below. Generally, the plan pays 90% of covered services and supplies after the annual deductible.

<table>
<thead>
<tr>
<th>PPO+Account (with HSA)</th>
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</thead>
<tbody>
<tr>
<td><strong>Annual deductible</strong></td>
</tr>
<tr>
<td>$1,500 employee only</td>
</tr>
<tr>
<td>$2,625 employee + spouse or child(ren)</td>
</tr>
<tr>
<td>$3,750 employee + spouse and child(ren)</td>
</tr>
<tr>
<td><strong>Network out-of-pocket maximum</strong></td>
</tr>
<tr>
<td>$1,600 employee only</td>
</tr>
<tr>
<td>$2,800 employee + spouse or child(ren)</td>
</tr>
<tr>
<td>$4,000 employee + spouse and child(ren)</td>
</tr>
<tr>
<td><strong>Nonnetwork out-of-pocket maximum</strong></td>
</tr>
<tr>
<td>$3,200 employee only</td>
</tr>
<tr>
<td>$5,600 employee + spouse or child(ren)</td>
</tr>
<tr>
<td>$8,000 employee + spouse and child(ren)</td>
</tr>
<tr>
<td><strong>Lifetime maximum benefit</strong></td>
</tr>
<tr>
<td>$2 million</td>
</tr>
<tr>
<td><strong>Preventive cancer screenings</strong></td>
</tr>
<tr>
<td>100%; not subject to $500 annual maximum for preventive care</td>
</tr>
<tr>
<td><strong>Emergency room copayment</strong></td>
</tr>
<tr>
<td>None; subject to the deductible</td>
</tr>
<tr>
<td><strong>Retail prescription drugs (30-day supply)</strong></td>
</tr>
<tr>
<td>90% generic</td>
</tr>
<tr>
<td>80% brand formulary</td>
</tr>
<tr>
<td>70% brand nonformulary</td>
</tr>
<tr>
<td>Subject to the deductible (except for certain preventive care drugs)</td>
</tr>
<tr>
<td><strong>Mail-order prescription drugs (90-day supply)</strong></td>
</tr>
<tr>
<td>90% generic</td>
</tr>
<tr>
<td>80% brand formulary</td>
</tr>
<tr>
<td>70% brand nonformulary</td>
</tr>
<tr>
<td>Subject to the deductible (except for certain preventive care drugs)</td>
</tr>
<tr>
<td><strong>Nonnetwork hearing aid benefits</strong></td>
</tr>
<tr>
<td>Covered at the network level</td>
</tr>
<tr>
<td><strong>Physical, speech, and occupational therapy benefits</strong></td>
</tr>
<tr>
<td>No visit maximum</td>
</tr>
<tr>
<td><strong>Home health care benefits</strong></td>
</tr>
<tr>
<td>No visit maximum</td>
</tr>
<tr>
<td><strong>TMJ benefits</strong></td>
</tr>
<tr>
<td>$3,500 lifetime maximum</td>
</tr>
<tr>
<td><strong>Transplant benefits</strong></td>
</tr>
<tr>
<td>No maximum; subject to the deductible</td>
</tr>
</tbody>
</table>
Health Savings Account

If you enroll in the PPO+Account medical plan, you may be eligible to set up a special tax-advantaged bank account, the Aetna HSA, for paying health care services.

The current service representative is Aetna/JPMorgan Chase.

Aetna HSA Highlights

- Boeing will make tax-free contributions to your account each pay period. You can choose to make your own additional contributions through payroll deductions. Your contributions will not be subject to Federal income tax, but if you live in certain states, including California, they will be subject to state tax.

- Money in your account earns interest free from Federal tax and is not taxed when withdrawn to pay for qualified health care expenses. However, if you live in certain states, including California, your HSA earnings are subject to state tax.

- If you do not use the money in one year to pay medical expenses, the balance rolls into the next year to use for future medical expenses—even after you retire. There is no limit on how much you can accumulate in your account.

- Your Aetna HSA will accumulate in an interest-bearing account. There is no minimum balance requirement to earn interest, and the interest rate is based on the JPMorgan Chase Money Market Account. In future years, you may have additional investment options.

- You own the money in your Aetna HSA and choose how to spend or save the funds. If you leave Boeing, the funds are yours to take with you.

Aetna HSA Eligibility

The Federal Government has special eligibility rules for HSAs, as described below (these requirements differ from Boeing health plan eligibility rules).

You may be eligible to set up an HSA if you

- Are covered by a high-deductible health plan, such as the PPO+Account.

- Are not claimed as a dependent on someone else’s tax return (except your spouse).

- Are not covered by another health plan such as
  - Your spouse’s health plan (unless it is a high-deductible health plan).
  - A health flexible spending account, including your spouse’s flexible spending account (unless it is a “limited-use” spending account designed to work with an HSA).
  - Medicare.
  - TRICARE.
  - Veterans Affairs medical benefits (used during the past three months).

You will have to certify that you meet the HSA eligibility requirements when you enroll.

If your spouse is enrolled in a high-deductible health plan, it may affect how much you can contribute to your HSA.

Contributing to Your Aetna HSA

The amount Boeing will contribute to your account is based on the coverage level you elect. The contribution will be equally divided among your paychecks for the year.

You can make your own optional contributions to your Aetna HSA through payroll deductions. The amount you contribute is subject to Federal limits. You can change your contribution amount at any time during the year, for any reason. Even if you decide not to contribute, you still will receive Boeing’s contribution.

The amount Boeing contributes to your HSA will change each year.
Using the Aetna HSA

When contributions are made and you have funds in your Aetna HSA, you can use them tax free to pay the PPO+Account medical coverage deductible and coinsurance or other qualified medical expenses for yourself or eligible family members.

Eligible family members include your spouse or any family member who is eligible to enroll as your dependent in a Boeing medical plan. It also includes any dependent who is claimed on your Federal income tax return. (They do not have to be enrolled in the PPO+Account medical coverage.) Some same-gender domestic partners may not be considered eligible family members for HSA reimbursement purposes if they do not qualify as your Section 105 dependent.

Aetna will make your HSA funds available to you through an ATM debit card from JPMorgan Chase to

- Pay providers, including doctors and pharmacies.
- Make cash withdrawals to pay providers or reimburse yourself for expenses you have paid with other funds.

The full amount of your and Boeing’s contributions will not be available for use on January 1 because the contributions are evenly divided among your pay periods. If there is not enough money in your account to cover a qualified health care expense, you can pay it with your personal funds and reimburse yourself later when enough money is in your HSA; there is no time limit. However, you cannot use your Aetna HSA to pay for expenses incurred before you opened the account.

There are certain fees associated with an Aetna HSA. Boeing will pay the monthly maintenance fee as long as you are employed by Boeing and enrolled in the PPO+Account; you will be responsible for the other fees.

Withdrawals and Tax Implications

If you withdraw money to pay qualified health care expenses, there is no Federal or state tax in any state. Money withdrawn from an HSA for anything other than qualified medical expenses generally is taxable under Federal law as ordinary income and is subject to a 10 percent tax penalty. The additional 10 percent tax does not apply if the withdrawal is made after your death, disability, or reaching age 65.

Important HSA Information

The Aetna HSA is not subject to ERISA (the PPO+Account medical coverage is subject to ERISA).

Because Boeing does not sponsor or endorse the Aetna HSA, there are some differences between it and medical plans sponsored by Boeing:

- Your Aetna HSA will not offer COBRA continuation rights (unlike the PPO medical coverage, which may be continued through COBRA). However, the HSA is your account and it is portable, which means you can maintain it with Aetna after you leave Boeing, or you can move it to another qualified HSA. You also can continue making contributions to your HSA after you leave Boeing, provided you are enrolled in a high-deductible health plan and meet all other contribution requirements.
- Aetna sponsors and administers the HSA; neither Boeing nor the Employee Benefit Plans Committee will have any involvement in HSA administration or claim issues.
- Please keep in mind the HSA is your personal account with Aetna. As a result, Boeing cannot sponsor or endorse it.

Regence Traditional PPO Changes

The following changes will apply to the Regence Traditional PPO.

Annual Deductible

The network annual deductible will be $300 per individual ($900 per family of three or more). The nonnetwork annual deductible will be $600 per individual ($1,800 per family of three or more).
Annual Out-of-Pocket Maximum
The network annual family out-of-pocket maximum will be $6,000 per family of three or more. The nonnetwork annual family out-of-pocket maximum will be $12,000 per family of three or more.

Lifetime Maximum Benefit
The lifetime maximum benefit will be $1.75 million per individual.

Emergency Room
The copayment for emergency room treatment will be $75.

Mental Health Treatment
The nonnetwork 20-day annual limit on inpatient services and 20-visit annual limit on outpatient services will be eliminated.

Hearing Aids
The hearing aid benefit will be $800 per ear.

Neurodevelopmental Therapy
The neurodevelopmental therapy benefit maximum will be $1,500 each benefit year.

Prescription Drug Program
- Prescription drugs purchased at a participating pharmacy will be covered as follows:
  - $5 copayment generic.
  - $20 copayment brand formulary.
  - $35 copayment brand nonformulary.
  - 30-day supply.
- Prescription drugs purchased through the mail-order program will be covered as follows:
  - $10 copayment generic.
  - $40 copayment brand formulary.
  - $70 copayment brand nonformulary.
  - 90-day supply.

Preventive Care and Routine Physicals
Network preventive care services and supplies will be covered as follows:
- 100 percent (deductible does not apply) up to a $500 annual maximum for all preventive care, including routine physical examinations, related laboratory and X-ray charges, as well as childhood and adult immunizations as recommended by the U.S. Preventive Care Task Force guidelines. Covered expenses that exceed the $500 maximum will be subject to the deductible and coinsurance.
- 100 percent (deductible does not apply) with no annual maximum for routine Pap tests, mammograms, prostate screenings, and colorectal screenings (including colonoscopies) as recommended by the physician.
- 100 percent (deductible does not apply) with no annual maximum for preventive care for children to age two; includes immunizations according to the U.S. Preventive Care Task Force guidelines and as recommended by the physician.
Prescription Drug Provisions—Regence Traditional PPO and Aetna PPO+Account

Pharmacy Management
Certain dosages, quantities, and medications require preapproval by the service representative. Specific drugs are reviewed by the service representative at the point of sale to determine if the prescription is covered by the plan, clinically appropriate, and consistent with usage guidelines.

The service representative applies standards based on FDA-approved labeling and clinical guidelines. The service representative will seek to ensure that the patient receives the most appropriate prescription for the condition by reviewing

- Possible interactions with other current prescriptions.
- 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 the physician to approve the changes to dosage and strength before authorizing payment with the pharmacist.

Specialty Care Pharmacy
Specialty medications are typically injectable medications administered by the individual or a health care professional, and they often require special handling. Newly prescribed medications may be purchased at any participating retail pharmacy up to two times. After that, the plan will cover these prescriptions only if they are purchased through the service representative’s specialty care pharmacy.

HMO Changes
The emergency room copayment for all the HMOs will be $75.

Health Net HMO
- The annual out-of-pocket maximum will be $2,500 per individual ($5,000 per family).
- Prescription drugs purchased at a participating pharmacy will be covered as follows:
  - $5 copayment generic.
  - $20 copayment brand formulary.
  - $35 copayment brand nonformulary.
  - 30-day supply.
- Prescription drugs purchased through the mail-order program will be covered as follows:
  - $10 copayment generic.
  - $40 copayment brand formulary.
  - $70 copayment brand nonformulary.
  - 90-day supply.

Kaiser HMO
- Prescription drugs purchased at a participating pharmacy will be covered as follows:
  - $5 copayment generic.
  - $20 copayment brand formulary.
  - 100-day supply.
Prescription drugs purchased through the mail-order program will be covered as follows:
- $5 copayment generic.
- $20 copayment brand formulary.
- 100-day supply.

Medical Plan Contributions

Your contribution amount is governed by your collective bargaining agreement. Monthly contribution amounts will be
- Four percent of plan rates for the PPO+Account, not to exceed the maximum contribution caps indicated in the collective bargaining agreement.
- Twelve percent of plan rates for all other plans, not to exceed the maximum contribution caps indicated in the collective bargaining agreement.

Contributions are made on a pretax basis. For additional information regarding your contributions, please refer to your collective bargaining agreement.

Dental Plans

Dental PPO Plan Changes

The following changes will apply to the Dental PPO Plan:
- Nonnetwork coinsurance for diagnostic care will be 80 percent.
- Network coinsurance for major services will be 60 percent.
- Two additional cleanings will be allowed per benefit year if periodontal disease is present.
- Periodontal scaling and root planing will be covered once per area every two benefit years.
- Osseous surgery will be covered once per area every three benefit years.

Other Health Care Plan Clarifications

When an Injury or Illness Is Caused by the Negligence of Another

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, this plan will pay benefits if the covered person agrees to cooperate with the service representative in administering the plan’s recovery rights.

If a person covered by this plan is injured by another party who is legally liable for the medical or dental bills, he or she may request this plan to pay its regular benefit on his or her behalf. In exchange, the covered person agrees to
- Notify the plan within 30 days of giving notice to any party, including an insurance company or attorney, of the covered person’s intention to pursue a claim.
- Complete a claim and submit all bills related to the injury or illness to the responsible party or any insurer.
- Complete and submit all of the necessary information requested by the service representative.
- Reimburse the plan from any payment he or she receives from the responsible party or any other source.
- Allow the plan to be subrogated to all rights of recovery a covered person has against the responsible party or any other source and to cooperate with the service representative’s efforts to recover from the responsible party or any other source any amounts this plan pays in benefits related to the injury or illness, including any lawsuit brought against the responsible party or insurer.
- Grant the plan a lien in the amount of benefits paid which can be enforced against any source of funds available to compensate the covered person for injury or illness caused by another party.
This provision applies whenever you or a covered dependent is entitled to or receives benefits under this plan and is also entitled to or receives compensation or any other funds from another party in connection with that same 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 as a first-priority right, whether or not the individual has been “made whole,” and without regard to any common fund doctrine. The plan is entitled to such funds regardless of whether the plan’s benefits are identified as being included in the funds and regardless of whether liability for payment of the funds is admitted by the responsible party or any other source of the funds. This plan may recover such funds by constructive trust, equitable lien, right of subrogation, reimbursement, or any other remedy allowed under applicable law.

The covered person shall do nothing to prejudice the plan’s subrogation or recovery interest, including, but not limited to, refraining from making any settlement or recovery that attempts to reduce or exclude the full cost of all benefits provided by the plan. 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 remedy or recovery allowed under applicable law, against any and all persons or entities who have assets that the plan can claim rights to. The plan has a first-priority right of 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.

In the event that any claim is made that any part of this subrogation and recovery provision is ambiguous or questions arise concerning the meaning or intent of any of its terms, the plan or service representative shall have the sole authority and discretion to resolve all disputes regarding the interpretation of this provision.

Basic Life Insurance Plan
The basic life insurance benefit will be $30,000.

AD&D Plan
- The AD&D principal sum will be $30,000.
- The disability premium waiver provision will be discontinued for disabilities that begin on or after January 1, 2010.

Short-Term Disability Plan
The $100 minimum outpatient surgery requirement (to qualify for first day of disability benefits following outpatient surgery) will be eliminated.

When an Injury or Illness Is Caused by the Negligence of Another
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, this plan will pay benefits if the covered person agrees to cooperate with the service representative in administering the plan’s recovery rights.

If a person covered by this plan is injured by another party who is legally liable for the disability income replacement, he or she may request this plan to pay its regular benefit on his or her behalf. In exchange, the covered person agrees to
- Notify the plan within 30 days of giving notice to any party, including an insurance company or attorney, of the covered person’s intention to pursue a claim.
- Complete a claim and submit all bills related to the injury or illness to the responsible party or any insurer.
Complete and submit all of the necessary information requested by the service representative.

Reimburse the plan from any payment he or she receives from the responsible party or any other source.

Allow the plan to be subrogated to all rights of recovery a covered person has against the responsible party or any other source and to cooperate with the service representative’s efforts to recover from the responsible party or any other source any amounts this plan pays in benefits related to the injury or illness, including any lawsuit brought against the responsible party or insurer.

Grant the plan a lien in the amount of benefits paid, which can be enforced against any source of funds available to compensate the covered person for injury or illness caused by another party.

This provision applies whenever you or a covered dependent is entitled to or receives benefits under this plan and is also entitled to or receives compensation or any other funds from another party in connection with that same disability, 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 as a first-priority right, whether or not the individual has been “made whole,” and without regard to any common fund doctrine. The plan is entitled to such funds regardless of whether the plan’s benefits are identified as being included in the funds and regardless of whether liability for payment of the funds is admitted by the responsible party or any other source of the funds. This plan may recover such funds by constructive trust, equitable lien, right of subrogation, reimbursement, or any other remedy allowed under applicable law.

The covered person shall do nothing to prejudice the plan’s subrogation or recovery interest, including, but not limited to, refraining from making any settlement or recovery that attempts to reduce or exclude the full cost of all benefits provided by the plan. 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 remedy or recovery allowed under applicable law, against any and all persons or entities who have assets that the plan can claim rights to. The plan has a first-priority right of 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.

In the event that any claim is made that any part of this subrogation and recovery provision is ambiguous or questions arise concerning the meaning or intent of any of its terms, the plan or service representative shall have the sole authority and discretion to resolve all disputes regarding the interpretation of this provision.

**Savings Plan**

The current employer matching contribution level will remain the same.

Effective January 1, 2009, employees no longer will be required to complete one year of service before employer matching contributions begin.

Effective January 1, 2009, employees may contribute from 1 to 25 percent of their base pay on a pretax or aftertax basis, or a combination of both (not to exceed 25 percent), in 1 percent increments.

**Retirement Plan**

Effective January 1, 2009, for employees who retire from the active payroll during the term of this collective bargaining agreement, with a commencement date on or after January 1, 2009, the retirement accrued benefit will be $75 for each year of benefit service.
Administrative Changes

The Pension Protection Act (PPA) of 2006 included legislation that affects forms of benefit in the Employee Retirement Income Plan of McDonnell Douglas Corporation—Hourly West Plan. The following changes will be made to conform to the new and existing laws and regulations.

Forms of Benefit

Effective with benefit commencements on or after January 1, 2009, the following changes will be made to the Employee Retirement Income Plan of McDonnell Douglas Corporation—Hourly West Plan:

- The PPA requires plans to offer a qualified optional survivor annuity (QOSA). For this plan, the QOSA will be a 75 percent annuity with a survivor feature for married participants. All married participants who are not already in pay status will be eligible to elect a 75 percent QOSA at their benefit commencement date. The single life annuity will be reduced to reflect payment in the form of the QOSA on an actuarially equivalent basis.

- To comply with the law, changes will need to be made to some of this plan's actuarial assumptions. The changes will affect two benefit features:
  - Accelerated income option, for employees who retire before age 62 and elect that option.
  - Cash out of small benefits, for employees who have a benefit with a value of $5,000 or less.

  (Note: It is extremely unlikely that any active participant would have a benefit small enough to be cashed out. The cash out provision affects mostly former employees with small vested benefits.)

For both features, the factors that the Company plans to use could result in slightly lower or slightly higher benefits to the plan participants. The factors will change each year because they are based on an interest rate that is determined annually by the Federal Government. The factors for the 10-year certain and continuous benefit will be the better of the current factors or actuarially equivalent factors.

Maximum Benefit Payable From Qualified Defined Benefit Plans

The Pension Funding Equity Act of 2004 and the PPA changed how to calculate the maximum benefit (415 limit) permitted to be paid to a retiree from pension plans and require plans to now include the modified limits in the pension plan documents. This change is not expected to affect benefits in this plan.

For More Information

Contact the Boeing service centers through Boeing TotalAccess.

- On the Boeing Web: Log on to https://my.boeing.com and click the TotalAccess tab.
- By telephone: Call 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Customer service hours vary by service center; representatives generally are available during regular business hours.
Plan Amendment Information

This Update is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this Update. In the event of a conflict between this Update and The Boeing Company Master Welfare Plan document and/or the Plan documents listed above, the terms of The Boeing Company Master Welfare Plan document and/or the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing service centers through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes and Clarifications

Employees Represented by SPFPA Local No. 255

This Update summarizes the collectively bargained changes and administrative clarifications that will affect your benefit plans and updates your summary plan descriptions. The effective date of each change is noted in each section.

The changes and clarifications in this Update will apply to you if you are an active employee of The Boeing Company (the “Company”) who is represented by the Security, Police and Fire Professionals of America (SPFPA) Local No. 255.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes or clarifications in this Update will apply to the following plans:

- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Cafeteria Plan (Plan 576).
- The Boeing Company Employee Retirement Plan (Plan 001).
- The Boeing Company Voluntary Investment Plan (Plan 002).

Benefit Year Change

The change in this section applies to The Boeing Company Employee Health Benefit Plan (Plan 626). Contact the Boeing Service Center through Boeing TotalAccess for details.

Effective January 1, 2011, the benefit year for health care plans will be based on the calendar year, January 1 through December 31.

In converting to a calendar year, there will be a six-month benefit year from July 1, 2010, through December 31, 2010. During that transitional period,

- The medical plan out-of-pocket maximum will be one-half the annual maximum.
- For the medical and dental plans, the deductible will be one-half the annual deductible amount.

When an Injury or Illness Is Caused by the Negligence of Another

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, this plan will pay benefits if the covered person agrees to cooperate with the service representative in administering the plan’s recovery rights.
If a person covered by this plan is injured by another party who is legally liable for the medical or dental bills, he or she may request this plan to pay its regular benefit on his or her behalf. In exchange, the covered person agrees to:

- Notify the plan within 30 days of giving notice to any party, including an insurance company or attorney, of the covered person’s intention to pursue a claim.
- Complete a claim and submit all bills related to the injury or illness to the responsible party or any insurer.
- Complete and submit all of the necessary information requested by the service representative.
- Reimburse the plan from any payment he or she receives from the responsible party or any other source.
- Allow the plan to be subrogated to all rights of recovery a covered person has against the responsible party or any other source and to cooperate with the service representative’s efforts to recover from the responsible party or any other source any amounts this plan pays in benefits related to the injury or illness, including any lawsuit brought against the responsible party or insurer.
- Grant the plan a lien in the amount of benefits paid which can be enforced against any source of funds available to compensate the covered person for injury or illness caused by another party.

This provision applies whenever you or a covered dependent is entitled to or receives benefits under this plan and is also entitled to or receives compensation or any other funds from another party in connection with that same 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 as a first-priority right, whether or not the individual has been “made whole,” and without regard to any common fund doctrine. The plan is entitled to such funds regardless of whether the plan’s benefits are identified as being included in the funds and regardless of whether liability for payment of the funds is admitted by the responsible party or any other source of the funds. This plan may recover such funds by constructive trust, equitable lien, right of subrogation, reimbursement, or any other remedy allowed under applicable law.

The covered person shall do nothing to prejudice the plan’s subrogation or recovery interest, including, but not limited to, refraining from making any settlement or recovery that attempts to reduce or exclude the full cost of all benefits provided by the plan. 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 remedy or recovery allowed under applicable law, against any and all persons or entities who have assets that the plan can claim rights to. The plan has a first-priority right of 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.

In the event that any claim is made that any part of this subrogation and recovery provision is ambiguous or questions arise concerning the meaning or intent of any of its terms, the plan or service representative shall have the sole authority and discretion to resolve all disputes regarding the interpretation of this provision.

**Health Care Flexible Spending Account**

The change in this section applies to The Boeing Company Cafeteria Plan (Plan 576). Contact the Boeing Service Center through Boeing TotalAccess for details.

Effective January 1, 2011, a Health Care Flexible Spending Account Plan (Health FSA) will be offered. Please see the enclosed summary plan description for information on this Plan.
Retirement Plan
The change in this section applies to The Boeing Company Employee Retirement Plan (Plan 001). Contact the Boeing Service Center through Boeing TotalAccess for details.

The basic benefit will be $78 per month for all years of credited service for employees on the Company’s active payroll on January 1, 2010 (including those who retire from the employ of the Company on January 1, 2010), or those on an authorized period of absence on January 1, 2010, and return to active employment directly from that authorized leave of absence.

If you are hired or rehired on or after January 1, 2011, you will not be eligible for participation in The Boeing Company Employee Retirement Plan (BCERP).

For purposes of determining BCERP eligibility, you will be considered hired before January 1, 2011, if you are
- On an authorized leave of absence on December 31, 2010, and return to active employment directly from that authorized leave of absence.
- On layoff on December 31, 2010, and return to active employment within six years of your layoff date.
- An active employee on December 31, 2010, go on an authorized leave of absence, and return to active employment directly from that authorized leave of absence.
- An active employee on December 31, 2010, laid off, and return to active employment within six years of the layoff date.

You are considered rehired if
- You return to work from layoff and the return date is more than six years after the date of layoff, or
- You commence your retirement benefit during the layoff period and later returns to active status within six years of the layoff date.

Savings Plan
The change in this section applies to The Boeing Company Voluntary Investment Plan (Plan 002). Contact the Boeing Service Center through Boeing TotalAccess for details.

The current employer matching contribution will continue.

If you are hired or rehired on or after January 1, 2011, you will be eligible for an additional automatic company contribution to The Boeing Company Voluntary Investment Plan (VIP). Each pay period, the Company will contribute an amount equal to 4 percent of your eligible pay for each pay period regardless of whether or not you contribute to the VIP. You will be 100 percent vested immediately in this company contribution.

Eligible pay, for the purpose of calculating the company contribution, is base pay and shift differential earned on or after January 1, 2011.

For purposes of determining eligibility for the additional company contribution, you will be considered hired before January 1, 2011, if you
- Are on an authorized leave of absence on December 31, 2010, and return to active employment directly from that authorized leave of absence.
- Are on layoff on December 31, 2010, and return to active employment within six years of your layoff date.
- Are an active employee on December 31, 2010, go on an authorized leave of absence, and return to active employment directly from that authorized leave of absence.
- Are an active employee on December 31, 2010, are laid off, and return to active employment within six years of the layoff date.

You are considered rehired if
- You return to work from layoff and the return date is more than six years after the date of layoff, or
- You commence your retirement benefit during the layoff period and later return to active status within six years of the layoff date.
For More Information

Contact the Boeing service centers through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **By telephone:** Call Boeing TotalAccess at [1-866-473-2016](tel:1-866-473-2016). You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password available when you call. Hearing impaired callers with a telephone typewriter can access TTY/TDD services at [1-800-755-6363](tel:1-800-755-6363). Customer service hours vary by service center; representatives generally are available during regular business hours.

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### Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Cafeteria Plan (Plan 576).
- The Boeing Company Employee Retirement Plan (Plan 001).
- The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and The Boeing Company Master Welfare Plan document and/or the Plan documents listed above, the terms of The Boeing Company Master Welfare Plan document and/or the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing service centers through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Boeing Savings Plans:

Changing to better meet your everyday financial planning needs

The choices you make every day to secure your financial well-being add up over time. This is especially true for your retirement savings decisions, including how much you save and how you invest.

To help make it easier for you to reach your retirement savings goals, Boeing is making the following changes to the savings plans effective April 5, 2010, unless otherwise noted:

• New advisor services available
• New investment fund lineup offered
• Automatic rebalancing options added

Well Being
Choose well. Live well.
Before You Read Any Further…

It is important to understand that the changes described in this newsletter apply to all of the following Boeing savings plans, unless otherwise indicated:

• The Boeing Company Voluntary Investment Plan (Plan 002) (VIP)
• The Boeing Company Employee Financial Security Plan (Plan 003) (FSP)
• The Employee Retirement Income Plan of McDonnell Douglas Corporation — Defined Contribution Plan (Plan 022) (DC RIP Salaried)
• The Employee Retirement Income Plan of McDonnell Douglas Corporation — Hourly Defined Contribution Plan (Plan 024) (DC RIP Hourly)

The information in this newsletter summarizes plan changes that affect your Boeing savings plans and updates your Summary Plan Description(s). This newsletter is for your information and is being provided to you as required by Federal law. No action on your part is required, unless you choose to make changes after reading this newsletter. After reviewing it, keep the newsletter with your other important benefit information for future reference.

What's Inside

This newsletter takes you through all the changes step by step, starting with an overview of what you need to do now and an easy-to-use financial planning checklist you can refer to all year. Please take the time to read this newsletter carefully and share it with your family. Here’s what’s inside.

What You Need To Do Now — page 1
A Good Place To Start: — page 2
A Financial Planning Checklist
Build Your Investment Strategy — page 3
Consider Using the New Advisor Services — page 5
Learn About the New Investment Fund Lineup — page 8
Stay on Track With Automatic Rebalancing — page 11
Manage Your Account — page 12
How To Manage Your Account and Ask Questions — page 13
More Information — page 14
• Important Words To Know
• Details About the 2010 Investment Funds

Enclosures — Fund Fact Sheets
What You Need To Do Now

Here’s a quick look at what you may need to do to as a result of the changes. For more information, please read this newsletter carefully. See “How To Manage Your Account and Ask Questions” on page 13 to learn how to access your account or request assistance.

This is also a good time to take a look at your long-term goals, assess your risk tolerance level, and review your investment mix. We encourage you to read about the new funds and changes being made to some of the current funds. Then consider whether you would like to make any changes to your investment strategy. See page 3 for some basics on creating an investment strategy.

<table>
<thead>
<tr>
<th>Change</th>
<th>What you may need to do</th>
<th>See page</th>
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| New advisor services    | Consider using the new ING Advisor Service if you are an eligible participant in the VIP or FSP. ING Advisor Service, powered by Financial Engines®, offers personalized, objective investment advice two ways:  
  • Use the Personal Online Advisor on Boeing Savings Plans Online through Boeing TotalAccess and/or speak with an ING Investment Advisor Representative by calling the Boeing Savings Service Center via TotalAccess.  
  • Enroll in the Professional Account Manager program and have a professional manage your account for you.                                                                 | 5        |
| New investment fund lineup | Understand the investment funds available to you beginning April 5, 2010. Several changes will be made to the investment fund lineup. Three new actively managed funds will be added to the lineup, and five current actively managed funds will merge into two new actively managed funds.  
  **If you are invested in any of the funds that are merging, decide before 4 p.m. Eastern time, April 1, 2010, whether you want to make any changes.** Your assets will transfer automatically to the new merged funds after 4 p.m. Eastern time on Thursday, April 1, 2010, because the stock market is closed on Friday, April 2.  
  • If you are comfortable with the transfers into a merged fund, no action is required on your part.  
  • If you do not want your assets transferred into a merged fund, you need to transfer your money out of the funds being merged and into one or more of the other fund options before 4 p.m. Eastern time, April 1, 2010.                                                                 | 8        |
| Automatic rebalancing  | Think about having your account’s asset allocation automatically rebalanced if you are a participant in the VIP or FSP. Automatic rebalancing helps ensure that your investment allocation is in line with your original investment elections.  
  Understand how insider trading impacts your ability to elect automatic rebalancing or change or cancel your election.                                                                 | 11       |
A Good Place To Start: A Financial Planning Checklist

Boeing provides a wealth of tools and resources designed to help empower you to reach your long-term financial goals. To ensure that you are using the resources you need to get there, refer to this checklist throughout the year.

☐ **Figure out how much income you will need in retirement.** If you want help putting together an estimate, use the ING Advisor Service and either access the Personal Online Advisor on Boeing Savings Plan Online through TotalAccess or call the Boeing Savings Service Center to speak to an ING Investment Advisor Representative. See “How To Manage Your Account and Ask Questions” on page 13 for access instructions.

☐ **Enroll in (or increase your contribution to) your Boeing savings plan.** If you are not already participating in the Boeing savings plan, or you need to increase your contribution rate, log on to Boeing Savings Plans Online through TotalAccess to sign up or call the Boeing Savings Service Center. See “How To Manage Your Account and Ask Questions” on page 13 for access instructions.

☐ **Consider using the ING Advisor Service to create an investment strategy.** Use the ING Advisor Service to create a balanced portfolio that fits your risk tolerance and financial goals. Look for your personal evaluation statement in your home mail later this summer.

☐ **Manage your Boeing savings plan investments.** Explore the new automatic rebalancing feature available through Boeing Savings Plans Online. Consider using the ING Advisor Service for expert guidance. Resources are available online or over the phone.

☐ **Review your Pay & Benefits Profile.** The Pay & Benefits Profile is available year-round via the “My Pay & Incentives” page on TotalAccess for most active employees. It includes summaries of your pay and incentives, benefits, and services, including the pension and savings plans, company-paid insurance, and other benefits. Active employees on a Boeing subsidiary payroll, who work part-time or who are employed by BAO may not be eligible for the Pay & Benefits Profile.

☐ **Watch for ING’s midyear Personal Evaluation statement.** Later this summer, you will receive an evaluation of your Boeing savings plans account. The statement will provide you with a personalized investment proposal, including a specific fund-level recommendation, clearly showing you what your investments and savings might realistically provide in the future, and how taking a single action, such as saving more, diversifying your investments or working longer, could improve your financial outlook.

☐ **Attend a financial planning seminar.** Two seminars are currently available: Plan Well (for those further from retirement) and Retire Well (for those close to retirement). Seminars are available live or on demand from the Boeing Education Network (BEN).

☐ **Increase your financial intelligence.** My Learning Center, provided by ING and available in the Resource Center on Boeing Savings Plans Online, offers articles as well as video and audio clips from ING containing insights on basic and advanced investing techniques, retirement planning, tax strategies, household budgeting, and estate planning, among many other topics.

☐ **Take care of your health.** Surprised to find this on a financial planning checklist? Don’t be. Taking care of yourself now can help you enjoy retirement later. Eat right, exercise regularly, and get routine checkups (which are covered by your medical plan) along with health screenings (many of which are provided at work). That will help catch health issues early, before they become bigger and more expensive problems.
Build Your Investment Strategy

Before you can create an effective investment portfolio for your Boeing savings plan account, you need to establish your retirement savings goals.

This means estimating how much income you will need in retirement and how long you need that income to last. Keep in mind that your retirement income will come from several sources, including Social Security, personal savings, and the Boeing savings and Boeing pension plans (if applicable). Estimate the portion of your retirement income you will need from the savings plan, and that will become your savings goal. Please read “Consider Using the New Advisor Services” on page 5 to find out how this new investment advice tool can assist you in this process.

Investment Paths for Different Investors

Armed with your long-term financial goal and your contribution rate, you need to decide how to invest your savings to have the best chance to reach your goal. The Boeing savings plans offer two investment paths:

- **Path 1: Lifecycle Funds** — Based on expected retirement date and risk tolerance, you can choose one of five Lifecycle Funds listed in the chart on page 15. Each Lifecycle Fund is a complete, diversified investment portfolio and is professionally managed, rebalanced, and reallocated until the date indicated in the fund’s name. These funds are designed so that you don’t have to make any ongoing investment management decisions.

- **Path 2: Individual Funds** — You can select your own diversified mix of funds, choosing any combination of five indexed funds, eight actively managed funds, and the Boeing Stock Fund (VIP only) from the funds listed in the charts on pages 15 to 17. The individual funds cover a wide range of asset classes, including U.S. and international stocks, U.S. and international bonds, and stable value investments. Unless you periodically rebalance and adjust your investment mix on your own, the allocation will change over time with investment performance. Therefore, you must periodically rebalance and adjust your investment mix on your own to maintain your desired portfolio or use the automatic rebalancing option discussed on page 11.

What's in a Word?

Do you know what an asset class or benchmark is? To understand the Boeing savings plans, you need to know some basic financial terms. See “Important Words To Know” on page 14 for a list of key definitions.

Diversify Your Investments

Boeing savings plans offer a variety of investment funds, including U.S. and international bonds, large-, mid- and small-company U.S. and international stocks, and stable value investments, among others.

No one can predict which asset class will perform the best at any given time, and financial experts recommend that you diversify your savings across multiple asset classes. This way, you may be invested in whichever asset classes are performing best, balancing out the asset classes that are in a downward trend. Diversification can increase your long-term return potential and decrease your overall portfolio risk. For help in determining how to diversify your investments, use the ING Advisor Service. (See “Consider Using the New Advisor Services” on page 5.)
Save Early, Save as Much as You Can

Assuming your savings are invested in a well-diversified portfolio, the two factors that may impact your long-term success the most are how much you save and how early in your career you start saving. Unlike investment returns, you can control these two parts of your strategy.

- **Don’t leave money on the table.** It’s simple: if you save $3,000 a year, your account may grow faster than if you save $2,000 a year. But there is another reason to increase your contribution. You may be eligible for company matching contributions as well. Save enough to get the maximum match, so you don’t leave free money on the table. Go to Boeing Savings Plans Online for more information about the company matching contributions for which you may be eligible.

- **The sooner you start saving, the more time your money has to grow.** Any investment returns get reinvested along with your steady payroll contributions, which fuels your account growth through compounding. Compounding picks up momentum the longer your money stays invested. The chart below shows the big difference a five-year savings head start can make thanks to compounding.

**Saving Early Makes Money**

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<thead>
<tr>
<th>START AT AGE 30</th>
<th>$2,000 annual contribution for 35 years</th>
<th>$276,474</th>
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<tbody>
<tr>
<td>START AT AGE 35</td>
<td>$2,000 annual contribution for 30 years</td>
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</tbody>
</table>

Five years of compounding can make a huge difference in your bottom line. By saving for 35 years instead of 30 years, you may end up with as much as $87,552 more in your account, all because of compounding. To end up with the same account balance as the 35-year scenario in just 30 years, you’d need to save almost $3,000 a year (instead of $2,000 a year) or average a 9% return. This hypothetical example assumes a 7% average annual return compounded annually. It does not predict returns for any fund in the Boeing savings plans, nor does it include an employer matching contribution.
Consider Using the New Advisor Services

The following section applies to all nonunion active and terminated employees in the VIP and FSP.

Do you ever wonder if you’re making the right investment decisions? Do you know if you are saving enough to be prepared for retirement? Now you can use the ING Advisor Service, powered by Financial Engines, for personalized and objective advice to help you make informed decisions about how much to save and how to invest for your future through the Boeing savings plans.

There are two ways to get advice. First, you can use the Personal Online Advisor on Boeing Savings Plans Online through TotalAccess and/or speak with an ING Investment Advisor Representative through the Boeing Savings Service Center via Boeing TotalAccess. Second, you can enroll in the Professional Account Manager program and have a professional manage your account.

You have access to the ING Advisor Service if you participate in the VIP, the FSP, or both. If you participate or have a balance in the DC RIP Salaried or DC RIP Hourly Plans, those balances will be included with your savings plan balance when projecting retirement income, but you will be unable to access specific investment advice for these plans.

Resources Online or Over the Phone for the “Do It Myself” Investor

If you are more of a hands-on investor, you can get personalized investment guidance using the Personal Online Advisor on Boeing Savings Plans Online through TotalAccess. This service can be used as often as you like. To get started, log on to your account at Boeing Savings Plans Online and select the ING Advisor Service link from the home page. Much of your personal account information will already be loaded into the program.

The Personal Online Advisor provides easy, step-by-step instructions that allow you to proceed at your own pace. The service will display your retirement forecast along with investment and savings recommendations. You can even add details on retirement savings accounts you may have outside of the Boeing savings plans, including accounts for your spouse or partner, to get more accurate forecasts. If you are eligible for a Boeing pension plan, your accrued pension benefit may also be displayed. If it is not, you can add your accrued pension benefit as well as benefits from another employer’s plan for a more complete retirement forecast. Interactive tools let you see how changes to risk, contributions or retirement age can affect your financial outlook.

When you find a strategy that meets your financial goals, follow the instructions provided in Personal Online Advisor to accept the advice. Any changes that you accept will update your savings plan account. If you have questions, just call an ING Investment Advisor Representative (see page 13 for details).

You can also speak with an ING Advisor Representative at any time at no charge through the Boeing Savings Service Center via Boeing TotalAccess. A representative can help you forecast your retirement income needs, determine your tolerance for risk, analyze your current savings rate, and help you select individual funds that support your retirement savings goals if you choose not to invest in the Lifecycle Funds.
Professional Account Manager Program for the “Do It for Me” Investor

If you would like a professional to manage your account, you can enroll in the Professional Account Manager program. Licensed ING Investment Advisor Representatives can provide one-on-one telephone consultations to help build a diversified portfolio targeted to your personal goals and risk tolerance using the funds offered by the Boeing savings plans. A team of professionals will take care of the ongoing management of your account and provide quarterly progress reports so you can stay informed. Keep in mind, however, that if you previously elected automatic rebalancing, it will be discontinued if you enter this program. Also, if you attempt to elect automatic rebalancing after you have signed up for Professional Account Manager, the automatic rebalancing election will not be accepted.

All ING Investment Advisor Representatives are licensed and trained to work with 401(k) investors. Because they are salaried and are not paid commissions from product sales, you can be sure their advice is objective. ING Investment Advisor Representatives are available Monday through Friday, from 8 a.m. to 8 p.m. Central time, except on stock market holidays. You can call as often as you like and ask to speak with the same ING Investment Advisor Representative each time if available.

Professional Account Manager Program Fees

If you decide to enroll in the Professional Account Manager program and have ING Investment Advisor Representatives manage your account, you will pay a monthly fee based on your total account balance. The annualized fee is 0.4% on the first $50,000 of account balance, then 0.3% on the next $50,000, 0.2% on the next $50,000 and 0.1% on balances over $150,000. For example, if your account balance is $138,000, your annualized fee would be $426 a year (calculated monthly, it would be approximately $35.50). You can start or stop the service at any time, and your account will be charged only for the time you use the service. For more information about the Professional Account Manager program fees, see the Advice Fact Sheet available at the ING Advisor Services link on Boeing Savings Plans Online through TotalAccess.
About ING Investment Advisor Representatives

ING Investment Advisor Representatives carry the following registrations implemented by the Financial Industry Regulatory Authority:

- Series 6—Qualified to purchase and/or sell redeemable securities
- Series 63—Qualified as securities agents
- Series 65—Qualified as investment advisor representatives

ING Investment Advisor Representatives are Chartered Mutual Fund Counselors and Chartered Retirement Planning Counselors and have an average of eight years of industry experience. Your Advisor is also knowledgeable about the Boeing savings plans and can provide additional insight on the investment advisory programs that deliver personalized advice geared to your individual financial situation.

What You Also Need To Know

The Boeing Company sponsors the Boeing savings plans (“Plans”), which are administered by The Boeing Company Employee Benefit Plans Committee (the “EBPC”). The EBPC has contracted with ING to offer independent investment advisory services to the Plans’ participants to assist them in making investment decisions. ING and the investment advisory services provided by ING are completely independent of The Boeing Company and the EBPC. In addition, neither the EBPC nor The Boeing Company endorses the ING Advisor Service and are not responsible for the advice you receive. Participants are solely responsible for determining whether they want to receive the services provided by ING (and pay for the Professional Account Manager service). If you choose to use the advisor services, the advice you receive is between you and your advisor who is solely responsible for the advice provided.

Like other services offered by the plan, a nominal fee is charged to all participants who have access to the ING Advisor Service; no more than one account per participant will be charged, even if the participant participates in multiple plans. More detailed information about the monthly fee can be found in the Advice Fact Sheet by accessing the ING Advisor Service link on Boeing Savings Plans Online. Advisor Services is provided by ING Investment Advisors, LLC. ING Investment Advisors, LLC, does not give tax or legal advice. In addition, advisors can provide only general guidance on company stock allocation. For more information about the ING Advisor Service provided by ING Investment Advisors, LLC, please read the Advisor Service Disclosure Statement. A Disclosure Statement may be viewed online by accessing the ING Advisor Service link on Boeing Savings Plans Online. Advisor Services is provided by ING Investment Advisors, LLC. ING Investment Advisors, LLC, does not give tax or legal advice. In addition, advisors can provide only general guidance on company stock allocation. For more information about the ING Advisor Service provided by ING Investment Advisors, LLC, please read the Advisor Service Disclosure Statement.

The financial planning advice recommendations (forecasts) are not guarantees of future results. The forecasts derive from forward-looking models of the economy and securities markets that may use such data as historical returns, historical correlation, expected growth rates, and calculated risk premiums based on those and other hypothetical assumptions. The completeness of their recommendations is dependent on the completeness of the information you furnish to your ING Investment Advisor Representative.
Learn About the New Investment Fund Lineup

The following section applies to all participants in the VIP, FSP, DC RIP Salaried, and DC RIP Hourly Plans.

Boeing aims to provide a wide range of investment fund options to meet your personal goals and risk tolerance levels. To achieve this goal, Boeing is making several changes that will take effect on April 5, 2010, unless otherwise noted. Make sure you understand these investment fund changes. Then take a look at how your retirement savings account is invested and decide whether you may want to make any changes. All of the new funds described below will be available for new contributions and transfers effective April 5, 2010. And remember, if you are invested in any of the funds that are merging, you must decide if you want to make any changes by 4 p.m. Eastern time on April 1, 2010; otherwise, your assets will transfer to the new funds automatically after 4 p.m. Eastern time on April 1.

Three New Funds Added

The ability to build a diversified investment portfolio for different goals and risk tolerances depends on having access to a variety of asset classes. To offer even greater opportunities to diversify your investments, three new actively managed funds—Global Bond Fund, Diversified Real Asset Fund, and Global Equity Fund—will be added to the savings plans. These funds cover the following asset classes: fixed income; a combination of fixed income, equities, and commodities; and equity.

Five Funds Merge Into Two New Funds

To streamline the fund lineup and to help simplify your investment choices, without eliminating any asset-class exposure, five funds will merge into two new funds. The Large Companies Value Fund, Large Companies Core Fund, and Large Companies Growth Fund will merge into the U.S. Large Companies Fund. This will give you exposure to the primary sub-asset classes of large-company equities through a single, actively managed fund option. In addition, the Small/Mid Companies Value Fund and Small/Mid Companies Growth Fund will merge into the U.S. Small/Mid Companies Fund. This will give you exposure to the primary sub-asset classes of small- and middle-sized company equities through a single, actively managed fund option.

<table>
<thead>
<tr>
<th>Current funds</th>
<th>New funds effective April 5, 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Companies Value Fund</td>
<td>U.S. Large Companies Fund</td>
</tr>
<tr>
<td>Large Companies Core Fund</td>
<td></td>
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<tr>
<td>Large Companies Growth Fund</td>
<td></td>
</tr>
<tr>
<td>Small/Mid Companies Value Fund</td>
<td>U.S. Small/Mid Companies Fund</td>
</tr>
<tr>
<td>Small/Mid Companies Growth Fund</td>
<td></td>
</tr>
</tbody>
</table>
Large Companies International Fund Changes

The Large Companies International Fund will be renamed the International Companies Fund to more accurately reflect the fact that there will be some small-cap companies in the fund’s allocation. The fund’s investment strategy and objective will primarily remain the same.

To provide more specialized perspectives on how the fund’s assets are managed, two new managers will be added. Pyramis Global Advisors will be responsible for managing the fund’s small-cap assets, and The Clifton Group will be responsible for managing fund liquidity and rebalancing functions. They will join the current fund manager, Artio Global Investors, which will continue to be responsible for managing all but the small-cap portion of the fund’s assets and its liquidity.

Two Funds Change Benchmarks

A benchmark is a standard against which the performance of a security or group of securities is measured. Two of the index funds in the Boeing savings plans will change their benchmark indexes, changing their underlying asset allocations. The funds’ investments will change to track the investments in the new benchmarks.

- **The Balanced Index Fund** will change its allocation benchmarks to 30% S&P 500 Index, 40% Barclays Aggregate Bond Index, and 30% Morgan Stanley Capital International (MSCI) All Country World Investable Market Index excluding U.S. (ACWI IMI ex-U.S.). The transition to this new benchmark allocation will be managed by State Street Global Advisors. This is a substantial adjustment to the fund’s current allocation benchmark, which is currently 60% S&P 500 Index and 40% Barclays Aggregate Index. This change adds exposure to international equity securities, including emerging markets equities and international small-cap. If you are invested in this fund, you should consider whether these new benchmarks still support your investment strategy.

- **The International Index Fund** will change its target benchmark from the Morgan Stanley Capital International Europe, Australasia, Far East (MSCI-EAFE) Index to the Morgan Stanley Capital International (MSCI) All Country World Investable Market Index excluding U.S. (ACWI IMI ex-U.S.). This benchmark change adds exposure to the emerging markets equities and international small-cap.

For each of these two funds, changing the underlying benchmark indexes provides a more relevant performance target for today’s evolving global economy.
New Fund Lineup

Listed below are the funds that will be available beginning April 5, 2010, under the Boeing savings plans. For a brief description of the funds, see “Details About the 2010 Investment Funds” on page 15. Please see the enclosed fund fact sheets for more information about the three new funds. Fund fact sheets for the other investment options that are changing will be posted on Boeing Savings Plans Online as soon as they are available. You may also view each plan’s fee matrix, listing the estimated fees by fund, in the Forms section of Boeing Savings Plans Online. You should review all fund information prior to making an investment decision.

Lifecycle Funds
- Lifecycle Retirement Fund
- Lifecycle 2020 Fund
- Lifecycle 2030 Fund
- Lifecycle 2040 Fund
- Lifecycle 2050 Fund

Index Funds
- Bond Market Index Fund
- Balanced Index Fund
- S&P 500 Index Fund
- International Index Fund
- Russell 2000 Index Fund

Actively Managed Funds
- VIP Stable Value Fund
- FSP Stable Value Fund
- Short-Term Investment Fund (DC RIP Salaried and Hourly only)
- Global Bond Fund (NEW)
- Diversified Real Asset Fund (NEW)
- U.S. Large Companies Fund
- Global Equity Fund (NEW)
- International Companies Fund
- U.S. Small/Mid Companies Fund
- Science and Technology Fund

The Boeing Company Stock
- Boeing Stock Fund (VIP only)

What You Also Need To Know

To discourage short-term trading, which can hurt long-term fund performance, all funds charge a 1.5% redemption fee on the value of units sold within 15 full calendar days of their purchase, excluding unit purchases made through payroll and matching contributions, rollovers, and loan payments. If you sell units, the units held the longest will be sold first, potentially minimizing the effect of the redemption fee, depending on how long the units have been held. Redemption fees are paid to the funds to help offset brokerage commissions, market impacts, and other costs associated with short-term trading.

Redemption fee grace period: Normally, a 1.5% redemption fee would apply to all transfers out of the U.S. Large Companies Fund and the U.S. Small/Mid Companies Fund that are executed during the 15 full calendar days following a transfer into the fund. However, to accommodate the merger into the U.S. Large Companies Fund and the U.S. Small/Mid Companies Fund, the 1.5% redemption fee will be waived for the period from April 5, 2010, through 4 p.m. Eastern time, April 19, 2010.
Stay on Track With Automatic Rebalancing

The following section applies to all participants in the VIP and FSP.

Since investments in various asset classes perform differently, your portfolio’s asset allocation—the percentage you have invested in funds representing different asset classes—will change over time. This can increase (or decrease) your risk level or returns and affect your ability to reach your savings goals. Your asset allocation may also be affected by other factors, such as the company matching contributions being contributed to the Boeing Stock Fund.

The new automatic account rebalancing feature, which will be available on April 5, 2010, offers a way to have your account rebalanced in accordance with your original allocation percentages, either monthly or quarterly. The system will automatically sell or purchase units in funds on the last business day of the month or quarter so your account stays at your desired allocation percentage without you having to manually request transfers among funds on a periodic basis. It’s an easy way to keep your portfolio’s asset allocation risk in check over time.

You will receive a confirmation statement showing the automatic rebalancing activity in your account after each rebalancing transaction occurs, whether monthly or quarterly. If you have elected the automatic rebalancing feature, it will be turned off automatically when you enroll in the Professional Account Manager program or make a fund transfer. Likewise, if you participate in the Professional Account Manager program, you cannot elect the automatic rebalancing feature until you stop participating in the Professional Account Manager program. In addition, short-term redemption fees may apply if you actively make a fund transfer or reallocation and you previously elected automatic rebalancing.

You can elect automatic account rebalancing by accessing the Manage Investments section under My Account on Boeing Savings Plans Online or by calling the Boeing Savings Service Center through Boeing TotalAccess. See page 13 for instructions. Once you do, any new investment election, fund transfer, or reallocation will cause the automatic rebalancing feature to be discontinued. You will then have to reinstate it through these same access points.

An Important Note About Insider Trading

Insider trading rules apply to transferring funds into or out of the Boeing Stock Fund. This means that Boeing employees cannot transfer funds into or out of the Boeing Stock Fund if they are aware of material nonpublic information about Boeing. So, it’s important to understand how insider trading rules apply to the rebalancing option:

- You cannot make an election for automatic rebalancing anytime that you possess material, nonpublic information.
- If you made your rebalancing election properly at a time when you did not have any material, nonpublic information, you will generally be protected against insider trading allegations for trades made as a result of that rebalancing election.
- You cannot change or cancel your rebalancing election when you are in possession of material, nonpublic information.

Also keep in mind that seemingly unrelated actions, such as signing up for the Professional Account Manager program or making an investment allocation that does not affect the Boeing Stock Fund, may cancel your automatic rebalancing election.

To learn more about insider trading, start by referring to PRO-12, “Buying and Selling Securities – Insider Trading,” and take the “Insider Trading” course (TR007835) available on My Learning in TotalAccess as soon as possible.
Manage Your Account

The following section applies to all participants in the VIP, FSP, DC RIP Salaried, and DC RIP Hourly Plans.

On a regular basis, you should check your savings plan account to see whether you are making progress toward your long-term savings goal. One of the easiest ways to do this is to review your account on Boeing Savings Plans Online. Although you automatically receive an annual statement mailed to your home or by e-mail notification based on your distribution preferences you have already selected, you may also view and print an online statement of activity over the previous 24 months.

When you review your account, consider:

• Has your account value increased or decreased?
• How much of the change is a result of the contributions you and Boeing have made to your account?
• What percentage of the change is the result of the increase or decrease in the value of your investments?
• If you are considering a loan or in-service withdrawal from your savings account, consider how it will negatively impact your savings goal before making the request.

“Go Green” With Electronic Statements

You can do your part to conserve our natural resources and reduce waste by electing to have your annual participant statements and most transaction confirmation statements delivered to your secure e-mail inbox on Boeing Savings Plans Online. For “go green” election details, simply log on to Boeing Savings Plans Online through TotalAccess.

After you elect to go green, you will receive an e-mail notice whenever there is a new statement available for review. Then just log on to Boeing Savings Plans Online through TotalAccess and click the e-Delivery Documents alert on the right side of the home page to view your document. It’s a fast and secure way to track your account progress and transaction activity without having to wait for paper statements to arrive in the mail.

If you do not elect to go green, you will receive paper transaction confirmation statements and annual participant statements mailed to your home. In addition, if you do elect to go green, you can always get an annual participant statement by calling the Boeing Savings Service Center through TotalAccess. See “How To Manage Your Account and Ask Questions” on page 13 for instructions. There is no additional charge to have paper statements mailed to your home.

What You Also Need To Know

To receive and store documents via electronic delivery, you must have a computer with Internet access, a valid e-mail address (where applicable), the ability to view PDF files using Adobe Acrobat, and a printer or other device to download and print or save any documents you wish to retain. (Please contact the Boeing Help Desk or your IT Administrator for assistance in installing Adobe Acrobat.)
To manage your account or ask questions, contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab.

- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Subsidiary participants (except BAO employees) log on to [https://my-ext.boeing.com](https://my-ext.boeing.com).

- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMS ID number (or Social Security number) and Boeing TotalAccess password available when you call. When the system asks, “How may I help you today?” say, “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service representative. Service Center representatives can connect you to an ING Investment Advisor Representative. Service Center and ING Investment Advisor Representatives are available weekdays between 8 a.m. and 8 p.m. Central time. Service Center and ING Investment Advisor Representatives are not available on stock market holidays.
More Information

Important Words To Know

Financial terms are becoming part of our everyday life. If you know these basic terms, you will better understand the Boeing savings plans. For explanations of more investment terms, go to Boeing Savings Plans Online through TotalAccess.

**Asset**
Anything you own that has monetary value, such as stocks, bonds, or other investments.

**Asset class, sub-asset class**
A group of securities with similar characteristics. The three major asset classes are cash equivalents, stocks, and bonds. A sub-asset class is a more detailed classification of assets, such as small-cap stocks or corporate bonds, within an asset class.

**Benchmark**
The benchmark of a fund is its main investment yardstick. It is usually a well-known market index, a combination of indexes, or an in-house index, if no appropriate index is available. Comparing the performance and the risk indicators of a fund relative to its benchmark offers a way to assess the quality of the fund’s management. An index fund’s investments are managed to match the performance and characteristics of the associated benchmarks.

**Bond**
A certificate of debt issued by a company or government agency. When you purchase a bond, you are lending money to the issuer. In exchange, the issuer promises to repay the loan on a specific date with interest payments made periodically over the life of the loan.

**Cash equivalents**
Cash equivalents are types of investments, such as money market accounts, savings account deposits, or certificates of deposit, that can generally be converted into cash relatively quickly.

**Diversification**
The spreading of money among different investments in different asset classes.

**Stock**
A share of ownership in a company that often includes voting rights.
Details About the 2010 Investment Funds

Below is an updated list, including brief descriptions, of the funds that will be available beginning April 5, 2010. The funds in each category are listed in order of relative investment risk from lower risk to higher risk.

Fund fact sheets for the three new funds are enclosed in this newsletter. Fund fact sheets for the U.S. Large Companies Fund, U.S. Small/Mid Companies Fund, Balanced Index Fund, International Index Fund, and International Companies Fund will be posted on Boeing Savings Plans Online as soon as they are available. Fund fact sheets for those funds not changing are not enclosed, but you can view them at Boeing Savings Plans Online at any time. You should review all fund information prior to making an investment decision.

Lifecycle Funds

Each Lifecycle Fund is designed as a complete investment solution offering a broadly diversified portfolio, meaning individuals can choose from these funds and will not need to pick and choose from among other funds. All of the Lifecycle Funds are managed by BlackRock Capital Management Inc.

<table>
<thead>
<tr>
<th>Fund name</th>
<th>Brief fund description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifecycle Retirement Fund</td>
<td>The most conservative of the lifecycle funds, designed for investors at or near retirement.</td>
</tr>
<tr>
<td>Lifecycle 2020 Fund</td>
<td>Designed for investors retiring or expecting to begin withdrawing money around 2020.</td>
</tr>
<tr>
<td>Lifecycle 2030 Fund</td>
<td>Designed for investors retiring or expecting to begin withdrawing money around 2030.</td>
</tr>
<tr>
<td>Lifecycle 2040 Fund</td>
<td>Designed for investors retiring or expecting to begin withdrawing money around 2040.</td>
</tr>
<tr>
<td>Lifecycle 2050 Fund</td>
<td>Designed for investors retiring or expecting to begin withdrawing money around 2050.</td>
</tr>
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</table>

Index Funds

Index funds are passively managed funds (meaning the managers do not engage in actively trading securities in the funds but simply mirror the allocation of a benchmark index) that seek to match as closely as possible the performance of specific indexes.

<table>
<thead>
<tr>
<th>Fund name</th>
<th>Brief fund description</th>
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</thead>
<tbody>
<tr>
<td>Bond Market Index Fund</td>
<td>Seeks to match the return of the Barclays Aggregate Bond Index primarily by investing in high-quality government, corporate, mortgage-backed, and asset-backed securities. The fund is managed by State Street Global Advisors, Ltd.</td>
</tr>
<tr>
<td>Balanced Index Fund</td>
<td>Seeks to match the performance of a blend of 30% S&amp;P 500 Index, 40% Barclays Aggregate Bond Index, and 30% Morgan Stanley Capital International (MSCI) All Country World Investable Market Index excluding U.S. (ACWI IMI ex-U.S.). The fund is managed by State Street Global Advisors, Ltd.</td>
</tr>
<tr>
<td>S&amp;P 500 Index Fund</td>
<td>Seeks to match the performance of the S&amp;P 500 Index by investing in all 500 stocks in the index in proportion to their weighting in the index. The fund is managed by State Street Global Advisors, Ltd.</td>
</tr>
<tr>
<td>International Index Fund</td>
<td>Seeks to match the performance of the Morgan Stanley Capital International (MSCI) All Country World Investable Market Index excluding U.S. (ACWI IMI ex-U.S.), an index composed of stocks domiciled in developed and emerging countries outside the U.S., including large- and small-capitalization companies. The fund is managed by State Street Global Advisors, Ltd.</td>
</tr>
<tr>
<td>Russell 2000 Index Fund</td>
<td>Seeks to match the performance of the Russell 2000 Index, which is considered a benchmark for small U.S. companies. The fund is managed by Northern Trust Global Investments, N.A.</td>
</tr>
</tbody>
</table>
### Actively Managed Funds

Actively managed funds rely on the expertise of fund managers to select and trade individual securities actively within the funds in an effort to beat certain target performance benchmarks. Actively managed funds may outperform or underperform market indexes at any given time.

<table>
<thead>
<tr>
<th>Fund name</th>
<th>Brief fund description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Stable Value Fund</strong> (VIP and FSP only)</td>
<td>Provides a predictable stable yield and, over the long term, a return generally better than money market rates. The VIP’s Stable Value fund is managed by Dwight Asset Management Company and a team of fixed-income managers. The FSP’s Stable Value fund is managed by State Street Global Advisors, Ltd.</td>
</tr>
<tr>
<td><strong>Short-Term Investment Fund</strong> (DC RIP Salaried and Hourly only)</td>
<td>The fund seeks to provide safety of principal, daily liquidity, and a competitive yield by investing in high-quality money market instruments. The fund invests in a diversified portfolio of short-term obligations and deposits, including U.S. Treasury and agency obligations, corporate bonds, commercial paper, repurchase agreements, certificates of deposit, bankers’ acceptances, time deposits, and floating-rate notes. The maximum maturity of any instrument in the fund is 13 months. The fund is managed by State Street Global Advisors, Ltd.</td>
</tr>
<tr>
<td><strong>Global Bond Fund</strong> (NEW)</td>
<td>Seeks long-term total return, attempting to outperform the PIMCO Global Advantage Bond Index (GLADI). The Global Bond Fund is a diversified fixed income fund that covers a wide spectrum of global fixed income opportunities and sectors, from developed to emerging markets, nominal to real assets, and cash to derivative instruments. The GLADI uses Gross Domestic Product weighting, which puts an emphasis on faster-growing areas of the world and thus makes the index forward-looking in nature. The fund is managed by the Pacific Investment Management Company LLC (PIMCO).</td>
</tr>
<tr>
<td><strong>Diversified Real Asset Fund</strong> (NEW)</td>
<td>Seeks to provide long-term returns consistent with inflation (CPI) plus 3% to 5% with strong relative performance in rising inflation environments. The fund attempts to outperform a blended benchmark of 50% Barclays TIPS 1-10 Year; 15% S&amp;P GSCI Commodity Equal Sector Weight; 16% MSCI World Energy greater than $3 billion; 6.25% MSCI World Metals &amp; Mining greater than $3 billion; 4.25% MSCI World Agricultural Products, Fertilizers &amp; Agricultural Chemicals and Forest Products; 2% MSCI World Construction &amp; Farm Machinery, Packaged Food &amp; Meats, Paper Products; 3.25% HSBC Climate Change Index; 2.25% MSCI IMI Gold &amp; Precious Metal; and 1% S&amp;P GSCI Precious Metal Total Return Index. The fund seeks to achieve its goal by investing in a mix of Treasury Inflation-Protected Securities (TIPS), inflation-sensitive equities, and commodities. The fund is managed by Wellington Management Company, LLP.</td>
</tr>
<tr>
<td><strong>U.S. Large Companies Fund</strong> (a combination of the former Large Companies Value, Large Companies Core, and Large Companies Growth Funds)</td>
<td>Seeks long-term total return, attempting to outperform the Russell 1000 Index, an index composed of the largest 1,000 U.S. common stocks, in a risk-controlled manner. The fund has several components that are managed separately in different investment styles, and it combines these different component styles into a single fund. The fund is managed by Institutional Capital LLC, MFS Institutional Advisors Inc., OFI Institutional Asset Management Inc. and The Clifton Group. Assets will be weighted approximately 50/50 between growth and value styles of investing.</td>
</tr>
<tr>
<td><strong>Global Equity Fund</strong> (NEW)</td>
<td>Seeks long-term total return, attempting to outperform the Morgan Stanley Capital International All Country World Investable Market Index (MSCI ACWI IMI), an index composed of global developed (including the U.S.) and emerging countries common stocks (large, mid, and small cap), in a risk-controlled manner. The fund has several components that are managed separately in different investment styles, and it combines these different component styles into a single fund. The fund is managed by Wellington Management Company, LLP.</td>
</tr>
<tr>
<td><strong>International Companies Fund</strong> (The previous Large Companies International fund is being complimented by a new international small cap manager, Pyramis, and liquidity manager, The Clifton Group.)</td>
<td>Seeks long-term total return, attempting to outperform the MSCI ACWI IMI excluding U.S. Index, an index composed of stocks originating in developed and emerging countries outside the U.S. The fund seeks to achieve its goal by investing in a wide variety of international equity securities (large, mid and small cap) issued throughout the world, normally excluding the U.S. The fund is managed by Artio Global Investors, Pyramis Global Advisors, and The Clifton Group.</td>
</tr>
<tr>
<td><strong>U.S. Small/Mid Companies Fund</strong> (combination of former Small/Mid Companies Value and Small/Mid Companies Growth Funds)</td>
<td>Seeks long-term total return, attempting to outperform the Russell 2500 Index, an index composed of small and mid-sized stocks, in a risk-controlled manner. The fund has several components that are managed separately in different investment styles, and it combines these different component styles into a single fund. The fund is managed by BlackRock Capital Management Inc., Ranger Investment Management L.P., Times Square Capital Management LLC, Tygh Capital Management Inc., and The Clifton Group. Assets will be weighted approximately 50/50 between growth and value styles of investing. Please note that for a short period of time, a portion of this fund will be indexed to the Russell 2500 Value Index until a new investment manager can be put in place.</td>
</tr>
<tr>
<td><strong>Science and Technology Fund</strong></td>
<td>Seeks to provide long-term growth of capital by investing in the equity securities of technology and health-care companies worldwide. The fund has several components that are managed separately in different investment styles, and it combines these different component styles into a single fund. The fund is managed by RCM Capital Management LLC, Wellington Management Company LLP, and The Clifton Group.</td>
</tr>
</tbody>
</table>

Higher Risk

Lower Risk
## Company Stock

<table>
<thead>
<tr>
<th>Fund name</th>
<th>Brief fund description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boeing Stock Fund</td>
<td>Seeks to track the performance of Boeing stock. The fund holds common stock of The Boeing Company. It also holds a small amount in cash or cash equivalents to reduce the need to sell Boeing stock for fund redemptions. The fund is managed by Evercore Trust Company, NA.</td>
</tr>
</tbody>
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## Plan Amendment Information

This newsletter is a summary of material modifications to your summary plan descriptions for:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- The Boeing Company Employee Financial Security Plan (Plan 003)
- The Employee Retirement Income Plan of McDonnell Douglas Corporation — Defined Contribution Plan (Plan 022)
- The Employee Retirement Income Plan of McDonnell Douglas Corporation — Hourly Defined Contribution Plan (Plan 024)

This newsletter is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended. Every effort has been made to provide accurate information in this communication. If there is any discrepancy between this newsletter and the Plan documents listed above, the Plan documents will control. Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate the Plans at any time and for any reason for employees, former employees, retirees, and their beneficiaries.
Summary of Benefit Plan Changes and Clarifications

Employees Represented by EAST Local 1553

This Update summarizes the collectively bargained changes and administrative clarifications that will affect your benefit plans and updates your summary plan descriptions. The effective date of each change is January 1, 2011, unless otherwise noted.

The changes and clarifications in this Update will apply to you if you are an active employee of The Boeing Company (the “Company”) who is represented by the Electronic and Space Technicians (EAST) Local 1553.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes or clarifications in this Update will apply to the following plans:

- Boeing Satellite Systems Retirement Plan for Bargained Employees (Plan 061).
- The Boeing Company Voluntary Investment Plan (Plan 002).

The changes in the sections below apply to the Boeing Satellite Systems Health & Welfare Benefit Plan (Plan 627). Contact the Boeing Service Center through Boeing TotalAccess for details.

Medical Plans

Traditional PPO

The following changes will apply to the Traditional PPO:

**Annual Deductible**

- The network annual deductible will be $300 per individual ($900 per family of three or more).
- The nonnetwork annual deductible will be $600 per individual ($1,800 per family of three or more).

**Annual Out-of-Pocket Maximum**

- The network annual family out-of-pocket maximum will be $6,000 per family of three or more.
- The nonnetwork annual family out-of-pocket maximum will be $12,000 per family of three or more.

**Lifetime Maximum Benefit**

The lifetime maximum benefit will be $2 million per individual.

**Emergency Room**

The emergency room copayment will be $75.
Hearing Aids
The hearing aid benefit will be $800 per ear.

Prescription Drug Program
The following changes apply to the prescription drug program:

- Prescription drugs purchased at a retail participating pharmacy will be covered as follows:
  - 90 percent generic ($5 minimum; $25 maximum).
  - 80 percent brand formulary ($15 minimum; $75 maximum).
  - 70 percent brand nonformulary ($30 minimum; no maximum).

- Prescription drugs purchased through the mail-order program will be covered as follows:
  - $10 copayment generic.
  - $40 copayment brand formulary.
  - $70 copayment brand nonformulary.

Pharmacy Management—Specialty Care Pharmacy
- Specialty medications are typically injectable medications administered by the patient or a health care professional, and they often require special handling. Newly prescribed medications may be purchased at any participating retail pharmacy for up to two times. After that, the plan will cover these prescriptions only if they are purchased through Medco’s specialty care pharmacy called Accredo Health Group. The specialty care pharmacy program will not apply to medications ordered and billed through a physician’s office.
  - The service representative will contact you directly if you are taking a specialty medication that is subject to this process.

Preventive Care/Routine Physicals
Network preventive care services and supplies will be covered as follows.

- Routine physical examinations for employees, spouses or same gender domestic partners, and children age 2 and older:
  - 100 percent (annual deductible does not apply) up to $500 each year per covered person, including related office visits, X-ray, and laboratory charges as well as childhood and adult immunizations and vaccines (excluding travel vaccines), as recommended by the U.S. Preventive Services Task Force (USPSTF), including the applicable catch-up immunizations for children age 2 to 18 years as recommended by the USPSTF. Covered expenses that exceed the $500 maximum will be subject to the deductible and coinsurance.
  - Routine pap tests, mammograms, prostate screenings, and colorectal screenings (including colonoscopies) covered at 100 percent (annual deductible does not apply) as recommended by the physician.

- Routine physical examinations for children up to age 2:
  - 100 percent (annual deductible does not apply).
  - Includes immunizations and vaccines (excluding travel vaccines), as recommended by the USPSTF and the physician, including the applicable catch-up immunization schedule for children age 4 months to 2 years as recommended by the USPSTF.

Mental Health and Substance Abuse Treatment Changes for 2011—Annual Deductible
Effective January 1, 2011, network inpatient or outpatient mental health and substance abuse treatment will be subject to the annual deductible.
HMO Plans
The following changes will apply to the HMOs:
- The office visit copayment will be $30.
- The emergency room copayment will be $75.
- For Health Net HMO and PacifiCare HMO:
  - Prescription drugs purchased at a retail participating pharmacy will be covered as follows:
    - $5 copayment generic.
    - $20 copayment brand formulary.
    - $35 copayment brand nonformulary.
  - Prescription drugs purchased through the mail-order program will be covered as follows:
    - $10 copayment generic.
    - $40 copayment brand formulary.
    - $70 copayment brand nonformulary.
- For Kaiser HMO:
  - Prescription drugs purchased at a retail participating pharmacy will be covered as follows:
    - $5 copayment generic.
    - $20 copayment brand formulary.
  - Prescription drugs purchased through the mail-order program will be covered as follows:
    - $5 copayment generic.
    - $20 copayment brand formulary.

Mental Health and Substance Abuse Treatment Changes for 2011—Copayment
Effective January 1, 2011, the Health Net and Kaiser HMO's copayment for outpatient mental health and
substance abuse services will be $30. The Kaiser HMO mental health copayment for group visits will be $15.

Annual Health Assessments
Each calendar year, contributions will be reduced for employees and spouses or same gender domestic
partners who complete the annual health assessment.

For employee only or employee plus child(ren) coverage levels, the amount of this wellness contribution credit
will be $20 per month, not to exceed the full contribution amount.

For employee plus spouse or same gender domestic partner or employee plus spouse or same gender
domestic partner and child(ren) coverage levels, the wellness contribution credit will be $40 per month, not to
exceed the full contribution amount, provided both the employee and the spouse or same gender domestic
partner complete the health assessment.

In the event that one or more regulatory agencies issues guidance that may limit or restrict the Company’s
ability to provide a wellness contribution credit, the credit will be adjusted in accordance with such guidance
and applicable law.
Dental Plan

The following changes apply to the dental plan:

SafeGuard prepaid dental plan will no longer be offered.

The Dental PPO Plan will provide the following:

- Two additional cleanings will be allowed per benefit year if periodontal disease is present.
- Topical application of fluoride or preventive therapies (such as fluoridated varnishes) for children through age 18 will change from twice in each one-year period to once in each one-year period.
- Nightguards will be covered under Class II basic services instead of Class IV orthodontic services and will be limited to one in each three-year period.
- Limited occlusal adjustments (eight or fewer teeth) will be covered under Class III major services instead of Class II basic services.
- Fissure sealants will be covered with no age limit; the frequency will remain once in each three-year period.

Short-Term Disability Plan

When an Injury or Illness Is Caused by the Negligence of Another

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, this plan will pay benefits if the covered person agrees to cooperate with the service representative in administering the plan’s recovery rights.

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

- Notify the plan within 30 days of giving notice to any party, including an insurance company or attorney, of the covered person’s intention to pursue a claim.
- Complete a claim and submit all bills related to the injury or illness to the responsible party or any insurer.
- Complete and submit all of the necessary information requested by the service representative.
- Reimburse the plan from any payment he or she receives from the responsible party or any other source.
- Allow the plan to be subrogated to all rights of recovery a covered person has against the responsible party or any other source and to cooperate with the service representative’s efforts to recover from the responsible party or any other source any amounts this plan pays in benefits related to the injury or illness, including any lawsuit brought against the responsible party or insurer.
- Grant the plan a lien in the amount of benefits paid, which can be enforced against any source of funds available to compensate the covered person for injury or illness caused by another party.

This provision applies whenever you or a covered dependent is entitled to or receives benefits under this plan and is also entitled to or receives compensation or any other funds from another party in connection with that same disability, 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 as a first-priority right, whether or not the individual has been “made whole,” and without regard to any common fund doctrine. The plan is entitled to such funds regardless of whether the plan’s benefits are identified as being included in the funds and regardless of whether liability for payment of the funds is admitted by the responsible party or any other source of the funds. This plan may recover such funds by constructive trust, equitable lien, right of subrogation, reimbursement, or any other remedy allowed under applicable law.
The covered person shall do nothing to prejudice the plan's subrogation or recovery interest, including, but not limited to, refraining from making any settlement or recovery that attempts to reduce or exclude the full cost of all benefits provided by the plan. 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 remedy or recovery allowed under applicable law, against any and all persons or entities who have assets that the plan can claim rights to. The plan has a first-priority right of 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.

In the event that any claim is made that any part of this subrogation and recovery provision is ambiguous or questions arise concerning the meaning or intent of any of its terms, the plan or service representative shall have the sole authority and discretion to resolve all disputes regarding the interpretation of this provision.

**Long-Term Disability Plan**

The Long-Term Disability (Option 2) Plan will no longer be offered. Employees currently enrolled in Option 2 will automatically be enrolled in Option 1 on January 1, 2011, at the required premium and with no evidence of insurability requirements. Employees may opt out at any time.

**Retirement Plan**

The changes in the section below apply to the Boeing Satellite Systems Retirement Plan for Bargained Employees (Plan 061). Contact the Boeing Service Center through Boeing TotalAccess for details.

The following plan changes are effective January 1, 2012, unless otherwise noted. For employees whose most recent hire date is before January 1, 2012, the Company will continue the current provisions of the Boeing Satellite Systems Retirement Plan for Bargained Employees (BSS Retirement Plan).

If you are hired or rehired on or after January 1, 2012, you will not be eligible for participation in the BSS Retirement Plan.

For purposes of determining Plan eligibility, you will be considered hired before January 1, 2012, if you

- Are on an authorized leave of absence on December 31, 2011, and return to active employment directly from that authorized leave of absence.
- Are on layoff on December 31, 2011, and return to active employment within six years of the layoff date.
- Are an active employee on December 31, 2011, go on an authorized leave of absence, and return to active employment directly from that authorized leave of absence.
- Are an active employee on December 31, 2011, are laid off, and return to active employment within six years of the layoff date.

You are considered rehired if

- You return to work from layoff and the return date is more than six years after the date of layoff, or
- You commence your retirement benefit during the layoff period and later return to active status within six years of the layoff date.
Savings Plan

The changes in the section below apply to the Boeing Company Voluntary Investment Plan (Plan 002). Contact the Boeing Service Center through Boeing TotalAccess for details.

The current employer matching contribution will continue.

If you are hired or rehired on or after January 1, 2012, you will be eligible for an additional automatic company contribution to the Voluntary Investment Plan (VIP). Each pay period, the Company will contribute an amount equal to 4 percent of your eligible pay for the pay period regardless of whether or not you contribute to the VIP. You will be 100 percent vested immediately in this company contribution.

Eligible pay, for the purpose of calculating the company contribution, is base pay, shift differential, and employee incentive pay earned on or after January 1, 2012.

For purposes of determining Plan eligibility for the automatic company contribution, you will be considered hired before January 1, 2012, if you

- Are on an authorized leave of absence on December 31, 2011, and return to active employment directly from that authorized leave of absence.
- Are on layoff on December 31, 2011, and return to active employment within six years of the layoff date.
- Are an active employee on December 31, 2011, go on an authorized leave of absence, and return to active employment directly from that authorized leave of absence.
- Are an active employee on December 31, 2011, are laid off, and return to active employment within six years of the layoff date.

You are considered rehired if

- You return to work from layoff and the return date is more than six years after the date of layoff, or
- You commence your retirement benefit during the layoff period and later return to active status within six years of the layoff date.

For More Information

Contact the Boeing service centers through Boeing TotalAccess.

- **On the Boeing Web:** Log on to https://my.boeing.com and click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.
- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.
- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password available when you call. Hearing impaired callers with a telephone typewriter can access TTY/TDD services at 1-800-755-6363. Customer service hours vary by service center; representatives generally are available during regular business hours.
Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- Boeing Satellite Systems Retirement Plan for Bargained Employees (Plan 061).
- The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and The Boeing Company Master Welfare Plan document and/or the Plan documents listed above, the terms of The Boeing Company Master Welfare Plan document and/or the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing service centers through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes and Clarifications

Employees Represented by IBEW Local No. 271

This Update summarizes the collectively bargained changes and administrative clarifications that will affect your benefit plans and updates your summary plan descriptions. The effective date of each change is January 1, 2010, unless otherwise noted.

The changes and clarifications in this Update will apply to you if you are an active employee of The Boeing Company (the “Company”) who is represented by the International Brotherhood of Electrical Workers (IBEW) Local No. 271.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes or clarifications in this Update will apply to the following plans:

- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Cafeteria Plan (Plan 576).
- The Boeing Company Employee Retirement Plan (Plan 001).
- The Boeing Company Voluntary Investment Plan (Plan 002).

Health Care Plans

Benefit Year Change

Effective January 1, 2011, the benefit year for health care plans will be based on the calendar year, January 1 through December 31.

In converting to a calendar year, there will be a six-month benefit year from July 1, 2010, through December 31, 2010. During that transitional period,

- The medical plan out-of-pocket maximum will be one-half the annual maximum.
- For the medical and dental plans, the deductible will be one-half the annual deductible amount.

Health Care Flexible Spending Account

Effective January 1, 2011, a Health Care Flexible Spending Account Plan (Health Care FSA) will be offered. Please refer to the enclosed summary plan description for information on this Plan.

Medical Plan Contributions

Effective July 1, 2010, medical plan contributions will be 17 percent of plan rates for all plans. Effective January 1, 2013, medical plan contributions will be 19 percent of plan rates for all plans.
Retirement Plan

The basic benefit will be $75 per month for all years of credited service for employees on the Company’s active payroll on or after January 1, 2010 (including those who retire from the employ of the Company on January 1, 2010), or those on an authorized period of absence on January 1, 2010, and return to active employment directly from that authorized leave of absence. This applies if you were hired before January 1, 2011.

The basic benefit will be $78 per month for all years of credited service for employees on the Company’s active payroll on January 1, 2013 (including those who retire from the employ of the Company on January 1, 2013), or those on an authorized period of absence on January 1, 2013, and return to active employment directly from that authorized leave of absence. This applies if you were hired before January 1, 2011.

If you are hired or rehired on or after January 1, 2011, you will not be eligible for participation in The Boeing Company Employee Retirement Plan (BCERP).

For purposes of determining BCERP eligibility, you will be considered hired before January 1, 2011, if you are:
- On an authorized leave of absence on December 31, 2010, and return to active employment directly from that authorized leave of absence.
- On layoff on December 31, 2010, and return to active employment within six years of your layoff date.
- An active employee on December 31, 2010, go on an authorized leave of absence, and return to active employment directly from that authorized leave of absence.
- An active employee on December 31, 2010, laid off, and return to active employment within six years of the layoff date.

You are considered rehired if:
- You return to work from layoff and the return date is more than six years after the date of layoff, or
- You commence your retirement benefit during the layoff period and later returns to active status within six years of the layoff date.

Savings Plans

Voluntary Investment Plan

The current employer matching contribution will continue.

If you are hired or rehired on or after January 1, 2011, you will be eligible for an additional automatic company contribution to The Boeing Company Voluntary Investment Plan (VIP). Each pay period, the Company will contribute an amount equal to 4 percent of your eligible pay for each pay period regardless of whether or not you contribute to the VIP. You will be 100 percent vested immediately in this Company contribution.

Eligible pay, for the purpose of calculating the automatic company contribution, is base pay and shift differential earned on or after January 1, 2011.

For purposes of determining eligibility for the automatic company contribution, you will be considered hired before January 1, 2011, if you:
- Are on an authorized leave of absence on December 31, 2010, and return to active employment directly from that authorized leave of absence.
- Are on layoff on December 31, 2010, and return to active employment within six years of your layoff date.
- Are an active employee on December 31, 2010, go on an authorized leave of absence, and return to active employment directly from that authorized leave of absence.
- Are an active employee on December 31, 2010, are laid off, and return to active employment within six years of the layoff date.

You are considered rehired if:
- You return to work from layoff and the return date is more than six years after the date of layoff, or
- You commence your retirement benefit during the layoff period and later return to active status within six years of the layoff date.
Employer Matching Contributions to Be Made in Boeing Stock

Beginning with the first paycheck after July 1, 2010, you will receive your employer matching contributions in the form of Boeing Stock Fund units. These units will be contributed and posted to your VIP account in the Boeing Stock Fund each payday and can be viewed online the following day.

The value of employer matching contributions that you are entitled to receive is not changing; a number of Boeing Stock Fund units equal to the value you would otherwise have received as cash will be made to your VIP account. The number of Boeing Stock Fund units posted to your VIP account will be based upon the dollar amount of the employer matching contribution, divided by the Boeing Stock Fund’s unit value as of the market close each payday.

Transfers To/From Boeing Stock Fund

There is no change in the ability to process transfers, including into or out of the Boeing Stock Fund, at any time. Subject to insider trading rules, you may, at any time after the contributions have been posted, elect to transfer an amount equivalent to your employer matching contribution to another investment option available to you under the VIP without incurring redemption fees. In addition, any other amounts that you have invested in the Boeing Stock Fund that have remained in the fund for more than 15 days may be transferred out of the fund without incurring redemption fees. However, any amounts transferred in the Boeing Stock Fund from other funds in the VIP within the 15 days before your transfer request will continue to be subject to normal redemption fees.

Fund transfers made before 4 p.m. Eastern time on a day that the New York Stock Exchange (NYSE) is open will be effective the same day. Fund transfers made on or after 4 p.m. Eastern time or on a day that the NYSE is closed will be effective on the next day the NYSE is open.

Trading Restrictions

Insider trading restrictions apply to transferring funds into or out of the Boeing Stock Fund. This means that you cannot transfer funds into or out of the Boeing Stock Fund if you are aware of material nonpublic information about the Company. See PRO-12, “Buying and Selling Securities – Insider Trading.” This includes participating in the automatic rebalancing feature of the VIP, as described in your recent Boeing Savings Plans newsletter.

Employees who are eligible to receive the Boeing Stock Fund match need to take the Insider Trading Course (TR007835) to help ensure they understand the rules to protect against insider trading.

ING Advisor Service for the Voluntary Investment Plan and Financial Security Plan

Effective July 1, 2010, you can use the new ING Advisor Service if you are a participant in the VIP or the Financial Security Plan (FSP). ING Advisor Service offers personalized, objective investment advice two ways:

- Use the Personal Online Advisor on Boeing Savings Plans Online through Boeing TotalAccess and/or speak with an ING Investment Advisor Representative by calling the Boeing Savings Service Center through Boeing TotalAccess, or

- Enroll in the Professional Account Manager program and have a professional manage your account for you.

More information will be provided closer to your effective date for this benefit.
Retiree Medical Eligibility

Eligibility provisions for the Retiree Medical Plan will be as follows:

You are eligible for the Retiree Medical Plan if you retire from the service of the Company under the Company-sponsored retirement plan as follows:

- You are an active employee and meet the following requirements:
  - If by January 1, 2010, you are age 55 or older with 10 or more years of vesting service under a Company-sponsored retirement plan.
  - If you have not satisfied the age and service requirements listed above, you must be age 55 or qualify for disability retirement and have 15 years of vesting service under a Company-sponsored retirement plan.
  - If you are hired on or after January 1, 2010, you will not be eligible for retiree medical benefits at retirement. For purposes of determining retiree medical plan eligibility, you will be considered hired before January 1, 2010 if
    - You are on an authorized leave of absence on December 31, 2009, and return to active employment directly from that authorized leave of absence.
    - You are on layoff on December 31, 2009, and return to active employment within your recall rights period.
    - You are an active employee on December 31, 2009, go on an authorized leave of absence, and return to active employment directly from that authorized leave of absence.
    - You are an active employee on December 31, 2009, are laid off, and return to active employment within your recall rights period.

You are not eligible for coverage under the Retiree Medical Plan after attaining age 65 or becoming eligible for Medicare.

Dependent Eligibility

If you retire with either a pension benefit commencement date or retiree medical eligibility date on or after January 1, 2010, your dependents not covered at your initial retiree medical eligibility date cannot be enrolled later unless they were eligible for coverage on your retirement date and waived coverage because they had other employer-sponsored coverage in effect.

Dependents are not eligible for coverage under the Retiree Medical Plan after attaining age 65 or becoming eligible for Medicare.

For More Information

Contact the Boeing service centers through Boeing TotalAccess.

- **On the Boeing Web:** Log on to https://my.boeing.com and click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password available when you call. Hearing impaired callers with a telephone typewriter can access TTY/TDD services at 1-800-755-6363. Customer service hours vary by service center; representatives generally are available during regular business hours.
Plan Amendment Information

This Update is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Cafeteria Plan (Plan 576).
- The Boeing Company Employee Retirement Plan (Plan 001).
- The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this Update. In the event of a conflict between this Update and The Boeing Company Master Welfare Plan document and/or the Plan documents listed above, the terms of The Boeing Company Master Welfare Plan document and/or the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing service centers through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes and Clarifications

Employees Represented by UAW 1069

This Update summarizes the collectively bargained changes and administrative clarifications that will affect your benefit plans and updates your summary plan descriptions. The effective date of each change is January 1, 2010, unless otherwise noted.

The changes and clarifications in this Update will apply to you if you are an active employee of The Boeing Company (the “Company”) who is represented by the International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW), Local No. 1069.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes or clarifications in this Update will apply to the following plans:
- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Voluntary Investment Plan (Plan 002).
- Non-Contributory Retirement Plan (005).

Benefit Year Change

Effective January 1, 2011, the benefit year for health care plans will be based on the calendar year, January 1 through December 31.

There will be a six-month plan year from July 1, 2010, through December 31, 2010. During this transitional period:
- The medical plan out-of-pocket maximum will be half the annual maximum.
- For the medical and dental plans, the deductible will be half the annual deductible amount.

Health Care Plans

Medical Plan Contributions

Monthly medical coverage contributions will be 10 percent of plan rates for the Traditional Medical Plan and HMOs. Monthly contributions are not required for the PPO+Account plan option.

For additional information regarding your contributions and any contribution caps that may apply, please refer to your collective bargaining agreement.
Savings Plan

Voluntary Investment Plan

Your current employer matching contribution will continue.

If you are hired or rehired on or after January 1, 2010, you automatically will be enrolled in the Voluntary Investment Plan (VIP) at a pretax contribution rate of 4 percent of base pay 60 days after you become eligible for the Plan. However, you may actively elect to participate at a different contribution level or elect not to participate before the 60-day period.

If you are hired or rehired on or after January 1, 2014, you will be eligible for an additional automatic company contribution to the VIP. Each pay period, the Company will contribute an amount equal to 4 percent of your eligible pay, for each pay period regardless of whether or not you contribute to the VIP. You will be 100 percent vested immediately in this company contribution.

Eligible pay, for the purpose of calculating the company contribution is base pay and shift differential earned on or after January 1, 2014.

For purposes of determining eligibility for the additional company contribution, you will be considered hired before January 1, 2014, if you are

- On an authorized leave of absence on December 31, 2013, and return to active employment directly from that authorized leave of absence.
- On layoff on December 31, 2013, and return to active employment within six years of your layoff date.
- An active employee on December 31, 2013, go on an authorized leave of absence, and return to active employment directly from that authorized leave of absence.
- An active employee on December 31, 2013, laid off, and return to active employment within six years of the layoff date.

You are considered rehired if

- You return to work from layoff and the return date is more than six years after the date of layoff, or
- You commence your retirement benefit during the layoff period and later return to active status within six years of the layoff date.

Retirement Plan

Non-Contributory Retirement Plan

Administrative Features

- The Plan is amended to clarify the treatment of excess service credits for layoffs and authorized medical leaves of absence.
  - The Plan currently provides the following:
    Effective for layoffs and authorized medical leaves of absence on or after October 1, 2002, any participant placed on layoff or leave shall be credited with the hours of service he or she was regularly scheduled to receive, up to 1,700 hours of future service in that calendar year.
  - The Plan is amended as follows:
    Effective for layoffs and authorized medical leaves of absence on or after October 1, 2002, any participant placed on layoff or leave shall be credited with the hours of service he or she was regularly scheduled to receive, up to 1,700 hours of future service in that calendar year.
In the event such a participant would otherwise have accumulated, as a result of layoff or authorized medical leave of absence, credits in excess of 1,700 hours for that calendar year, any excess credits shall be credited to the following calendar year if the layoff or leave continues. If the participant returns to work and is again placed on layoff or leave in that following calendar year, the participant shall be credited with the hours of service the participant was regularly scheduled to receive, up to 1,700 hours of future service for that year, including (1) any excess credits from the immediately preceding calendar year, (2) the actual hours worked in the current year, and (3) future service credits otherwise accumulated in accordance with this subsection. Future service will not be credited for periods after the participant retires, dies, or loses seniority rights.

- The Plan is amended to potentially provide full vesting to partially vested participants in the event of a partial termination of the Plan as follows:

  In the event of partial termination of the Plan (as defined under section 411(d)(3) of the Code), the rights of participants affected by the partial termination will, to the extent funded, automatically become fully vested, but only to the extent required by statute and regulation.

**Accrued Benefit and Plan Eligibility**

For retirements from the active payroll with a benefit commencement date on or after January 1, 2010, the retirement accrued benefit will increase to $80 for each year of benefit service.

Employees hired or rehired on or after January 1, 2014, will not be eligible for participation in the Non-Contributory Retirement Plan.

For purposes of determining Retirement Plan eligibility, you will be considered hired before January 1, 2014, if you are
- On an authorized leave of absence on December 31, 2013, and return to active employment directly from that authorized leave of absence.
- On layoff on December 31, 2013, and return to active employment within six years of the layoff date.
- An active employee on December 31, 2013, go on an authorized leave of absence, and return to active employment directly from that authorized leave of absence.
- An active employee on December 31, 2013, are laid off, and return to active employment within six years of your layoff date.

You are considered rehired if you return to work from layoff and the return date is more than six years after the date of layoff.

**For More Information**

Contact the Boeing service centers through Boeing TotalAccess.

- **On the Boeing Web:** Log on to https://my.boeing.com and click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.
- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.
- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password available when you call. Hearing impaired callers with a telephone typewriter can access TTY/TDD services at 1-800-755-6363. Customer service hours vary by service center; representatives generally are available during regular business hours.
Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- The Boeing Company Employee Health Benefit Plan (Plan 626).
- The Boeing Company Voluntary Investment Plan (Plan 002).
- Non-Contributory Retirement Plan (005).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and The Boeing Company Master Welfare Plan document and/or the Plan documents listed above, the terms of The Boeing Company Master Welfare Plan document and/or the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing service centers through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Savings Plan Changes and Clarifications

Participants in the VIP

This Update summarizes plan changes and clarifications that affect your savings plan and updates your summary plan description. The effective date of each change or clarification is noted in each section.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes in this Update applies to The Boeing Company Voluntary Investment Plan (Plan 001) (VIP).

The following section applies to nonunion employees effective January 1, 2010, and employees represented by IAM 2766 and IBEW 271 effective July 1, 2010.

Employer Matching Contributions to Be Made in Boeing Stock

Beginning with the first paycheck after January 1, 2010, for nonunion employees and after July 1, 2010, for employees represented by IAM 2766 and IBEW 271, you will receive your employer matching contributions in the form of Boeing Stock Fund units. These units will be contributed and posted to your VIP account in the Boeing Stock Fund each payday and can be viewed online the following day.

The value of employer matching contributions that you are entitled to receive is not changing; a number of Boeing Stock Fund units equal to the value you would otherwise have received as cash will be made to your VIP account. The number of Boeing Stock Fund units posted to your VIP account will be based upon the dollar amount of the employer matching contribution, divided by the Boeing Stock Fund's unit value as of the market close each payday.

Transfers To/From Boeing Stock Fund

There is no change in the ability to process transfers, including into or out of the Boeing Stock Fund, at any time. Subject to insider trading rules, you may, at any time after the contributions have been posted, elect to transfer an amount equivalent to your employer matching contribution to another investment option available to you under the VIP without incurring redemption fees. In addition, any other amounts that you have invested in the Boeing Stock Fund that have remained in the fund for more than 15 days may be transferred out of the fund without incurring redemption fees. However, any amounts transferred into the Boeing Stock Fund from other funds in the VIP within the 15 days before your transfer request will continue to be subject to normal redemption fees.

Fund transfers made before 4 p.m. Eastern time on a day that the New York Stock Exchange (NYSE) is open will be effective the same day. Fund transfers made on or after 4 p.m. Eastern time or on a day that the NYSE is closed will be effective on the next day the NYSE is open.

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Insider Trading Rules

Insider trading rules apply to transferring funds into or out of the Boeing Stock Fund. This means that you cannot transfer funds into or out of the Boeing Stock Fund if you are aware of material nonpublic information about the Company. See PRO-12, “Buying and Selling Securities - Insider Trading.” This includes participating in the automatic rebalancing feature of the VIP, as described in your recent Boeing Savings Plans newsletter. Employees who are eligible to receive the Boeing Stock match need to take the Insider Trading Course (TR007835) to help ensure they understand the rules to protect against insider trading.

The following sections apply to all VIP participants.

New Loan Repayment Option for Former Employees

Effective April 27, 2009, the VIP began accepting monthly loan payments from former employees (previously, former employees were required to pay their loan balances in full within 90 days after leaving the Company or the loan would default). This option applies to former employees who terminated employment with the Company on or after February 15, 2009, and whose loans have not defaulted. Under this option, former employees have the ability to pay off outstanding VIP loans in full at any time after leaving the Company and before the scheduled payoff date of the loan.

Loans that default are a taxable event and are reported to the Internal Revenue Service, so making payments after leaving the Company can help avoid the tax burden that may be incurred through a defaulted loan.

The VIP loan will default if

- A payment is not received for 90 consecutive days, or
- There is still a balance due 30 days after the loan’s original payoff date, or
- A full distribution* of the VIP account is taken anytime before the outstanding loan is paid off.

Direct Debit Loan Payment Feature

Effective July 20, 2009, a direct debit loan repayment feature is available to make the loan payment process more convenient for you. Your monthly loan payment can be automatically debited from your bank account (your banking information must be on file with the VIP). These monthly loan payments will be deducted from your bank account the 15th of each month and posted to your VIP loan each month until your loan is paid off.

Personal checks, certified checks, cashier’s checks, and money orders are no longer an acceptable form of monthly loan payment effective October 1, 2009, for former employees. If you send a payment using these forms after October 1, 2009, the check or money order will be returned to you with a letter indicating why it was returned. Please make sure you set up the recurring direct debit loan repayment option and that your banking information is on file so your loan stays current and additional interest does not accrue on your loan balance.

If you intend to pay off your loan balance in full (before the end date of the loan), you can pay it off either by money order or by direct debit. Contact the Boeing Savings Service Center through Boeing TotalAccess for more information on your options and how to set up your monthly loan payments by direct debit.

The VIP Termination Package that is mailed to your address after you leave the Company will include your loan payment amount reamortized for monthly payments and instructions on how to set up direct debit on your VIP account at Boeing Savings Plans Online.

If you are rehired and your loan has not defaulted, the loan will be reamortized based on your pay frequency, and payroll deductions will begin from your paycheck automatically.

*Includes all termination distributions such as rollovers to an IRA or other qualified employer-sponsored retirement plan, full account distributions paid to the participant in cash and/or stock, and installment payments.
Rescinding Monthly Direct Debit Loan Payments

Requests to rescind monthly loan payments by direct debit must be made in writing. Your letter must arrive by the 10th of the month to have your loan payments stopped by direct debit effective that month. Include your VIP loan number, BEMS ID number (or Social Security number), and monthly loan amount in the letter. Send the letter to:

ING
Boeing Savings Plans Administration
P.O. Box 5166
Boston, MA 02206-5166

For overnight delivery:

ING
Attn: Boeing Savings Plans Administration
One Heritage Drive
North Quincy, MA 02171-7422

Loan Repayment Options for Active Employees and Employees on a Leave of Absence

A direct debit payment method will be available for paying off loans in full for active employees and employees on leave of absence (paid, unpaid, or military leave). However, making recurring loan payments by direct debit from participant bank accounts is not available.

Money orders or personal, certified, or cashier's checks will still be acceptable forms of payment for employees to make up for missed loan payments. In addition, if you are on a leave of absence, including military leave, you may also continue to make recurring loan payment by money order or by personal, certified, or cashier's check. However, after October 1, 2009, paying off your loan in full must be done either by direct debit or money order. If you pay off your loan by check after October 1, 2009, your check will be returned to you with a letter indicating why it was returned. See page 4 for instructions on sending a money order for a loan payment or loan payoff.

A seven-day hold will be placed on your VIP account for future loans and in-service withdrawals when paying off your loan by direct debit.

Loan Payoffs by Direct Debit

Log on to your VIP account on Boeing Savings Plans Online (see “For More Information,” on page 5). After you have closed the News & Reminders page and clicked Boeing Company VIP Details, click Loans from the left navigation bar, and then click Loan Payment.

The page will display the loan payoff amount for each outstanding loan. Select the loan(s) you wish to pay off by clicking “Payoff Loan #x” and following the instructions provided on the page.

You need to set up your banking information in your VIP account at Boeing Savings Plans Online if you want to pay off your loan by direct debit. It is recommended that you do this before you set up direct debit to pay off your loan. Go to your VIP account and click Personal Information, then Banking Information. Select “Add/edit banking info.”

Note: You will not be able to cancel a “pending” loan payoff transaction.
Loan Payments by Personal Check, Certified Check, Cashier’s Check, or Money Order and Loan Payoffs by Money Order

- Prepare the check or money order for the loan payment or payoff amount.
- Write your BEMS ID number (or Social Security number), loan number(s), and the plan name on the front of the check or money order.
- Make the check or money order payable to: State Street Bank.
- Mail your payment to:
  
  **ING**  
  Boeing Savings Plans Administration  
  P.O. Box 5166  
  Boston, MA 02206-5166  

  For overnight delivery:

  **ING**  
  Attn: Boeing Savings Plans Administration  
  One Heritage Drive  
  North Quincy, MA 02171-7422

- A 21-day hold will be placed on your account for future loans and in-service withdrawal activity if you make your loan payment by personal check.
- If any of the required information is incorrect, illegible, or incomplete, the check or money order may be returned to you.

**Note:** If your loan repayment or payoff transaction is completed by 4 p.m. Eastern time, your bank account on record will be debited the following business day. Your loan repayment or payoff will be applied to your account as soon as the funds have cleared, generally within two business days. Loan repayments or payoffs completed after 4 p.m. Eastern time will be debited to your bank account on record the next business day. Once you receive a confirmation number, the processing of your loan payoff is scheduled. Your loan will show as paid in full generally within three business days. Please do not DUPLICATE your transaction or your bank account will be DEBITED AGAIN.

Once a loan payment or payoff has been posted to your VIP account, if your payment from direct debit or your payment by check has been recalled for insufficient funds, a $20 fee will be deducted from your account.

**Clarification of Eligibility Exclusion for Foreign Local Hires**

Effective January 1, 2009, the exclusion for U.S. citizens or nationals who are bona fide residents of a foreign country or hired directly by a foreign branch of a subsidiary or affiliate company to perform services outside the United States does not apply to expatriated U.S. employees for the purpose of determining eligibility in the VIP. Expatriated U.S. employees will remain eligible to participate in the Plan.

**Annuity Distributions**

Effective with annuity starting dates on or after January 1, 2010, to purchase a period certain annuity payment option, your VIP account balance must be more than $5,000.
For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Subsidiary participants other than BAO employees log on to [https://my-ext.boeing.com](https://my-ext.boeing.com). Click TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **By telephone:** Call Boeing TotalAccess at **1-866-473-2016**. TTY/TDD services are available at **1-800-755-6363**. You must have your BEMS ID number (or Social Security number) and your Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press the zero key to be transferred to a customer service representative. Service representatives are available weekdays between 8 a.m. and 8 p.m. Central time.

### Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and The Boeing Company Voluntary Investment Plan document, the terms of The Boeing Company Voluntary Investment Plan document will control. Copies of the summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plan described here, the Company reserves the right to change, modify, amend, or terminate the plan at any time and for any reason for employees, former employees, retirees, and their beneficiaries.
Voluntary Investment Plan Change

Certain Active Nonunion BSC Employees

This Update summarizes a change to The Boeing Company Voluntary Investment Plan (Plan 002) (VIP) and updates your summary plan description. The effective date of the change is for the pay period beginning July 2, 2010.

You are affected by this change if you are a nonunion employee of Boeing Defense and Government Services Organization/Boeing Services Company in Training, Maintenance, and Range & Technical Services (Accounting Business Unit [ABU] C2)

- Excluding employees working on the Army Simulation contract or employees dedicated to work on the CFOAM, Sea Launch, or ICBM programs.
- Including Boeing Defense, Space & Security expatriate employees in ABU IQ.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

VIP Employer Contributions

Effective with the pay period beginning July 2, 2010, paid on July 22, 2010, no further employer matching contributions, retirement contributions, or automatic company contributions will be made to your VIP account by the Company. The last paycheck these employer contributions will be made to your account will be for the check paid on July 8, 2010, for the pay period ending July 1, 2010.

All other VIP provisions will continue to apply. You can continue to make contributions to your VIP account and change your investment elections, and your account is 100 percent vested. For additional information, see your summary plan description.

For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to https://my.boeing.com and click the TotalAccess tab.
- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Subsidiary participants (other than BAO) can log on to https://my-ext.boeing.com. Click the TotalAccess tab.
- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMS ID number (or Social Security number) and Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service representative. Service center representatives are available weekdays between 8 a.m. and 8 p.m. Central time.
Plan Amendment Information

This Update is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

If there is a discrepancy between this Update and the Plan document listed above, the Plan document will control. Although the Company fully intends to continue the Plan described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their beneficiaries.
Summary of Benefit Plan Changes

The Kestrel Enterprises, Inc. 401(k) Profit Sharing Plan & Trust Will Merge Into The Boeing Company Voluntary Investment Plan

This Update summarizes plan changes that affect your retirement plans and updates your summary plan descriptions. The effective date of the changes is December 15, 2010, unless otherwise noted.

The changes apply to you if you have an account in the Kestrel Enterprises, Inc. 401(k) Profit Sharing Plan & Trust (Kestrel Plan).

This Update is for your information and is being provided to you as required by Federal law. Action may be required on your part.

Effective December 15, 2010, your account in the Kestrel Plan will merge into The Boeing Company Voluntary Investment Plan (VIP). The investment funds in your Kestrel Plan account will be sold, and the proceeds will be mapped to one of the five VIP lifecycle funds as shown below, except funds invested in the Fidelity Retirement Money Market Portfolio, which will be mapped to the VIP Stable Value Fund (see “Important notice” below). Subject to the “Important notice” below, your Kestrel Plan account will be invested in the applicable lifecycle fund that has an associated date closest to your expected retirement year. Lifecycle fund fact sheets and the VIP Stable Value Fund fact sheet are also enclosed with this summary. The following chart displays the lifecycle fund that your Kestrel Plan account will map to on December 15, 2010:

<table>
<thead>
<tr>
<th>Birth Date Range</th>
<th>How Your Kestrel Plan Account Will Be Invested in the VIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>If your were born 12/31/1950 or before</td>
<td>Your Kestrel Plan account will be invested in the Lifecycle Retirement Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1951 through 12/31/1960</td>
<td>Your Kestrel Plan account will be invested in the Lifecycle 2020 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1961 through 12/31/1970</td>
<td>Your Kestrel Plan account will be invested in the Lifecycle 2030 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1971 through 12/31/1980</td>
<td>Your Kestrel Plan account will be invested in the Lifecycle 2040 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1981 or after</td>
<td>Your Kestrel Plan account will be invested in the Lifecycle 2050 Fund</td>
</tr>
</tbody>
</table>

Important notice:

If you do not want your Kestrel Plan account, or a portion thereof, to be invested in one of the VIP lifecycle funds, you may transfer your Kestrel Plan account, or a portion thereof, into the Fidelity Retirement Money Market Portfolio (Fidelity fund code 0630) before 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on December 14, 2010. All funds invested in the Fidelity Retirement Money Market Portfolio as of 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on December 14, 2010 will be invested in the VIP Stable Value Fund. The Fidelity Retirement Money Market Portfolio is the only Kestrel Plan fund that will not be invested in a lifecycle fund when assets transfer from Fidelity to ING.
Special notes:

- The Boeing Company (Company) does not underwrite, warrant, guarantee, or in any way ensure the performance of any investment option available through the Plans.

- All funds have a short-term redemption fee of 1.5 percent applied to the proceeds value of units sold on all sale transactions that occur 15 or fewer calendar days from the date the units are purchased (excluding contributions, loan repayments, or rollover contributions). This fee will not apply to amounts initially merged into the VIP from the Kestrel Plan. You may transfer initially merged funds without incurring the short-term redemption fee.

Restrictions and Limitations to Service During the Blackout Period, December 10 through December 22, 2010

ING, the recordkeeper of the VIP, is working closely with the Company to ensure that the transition from the Kestrel Plan to the VIP occurs with minimal disruption in service. To this end, transactions in the Kestrel Plan will be restricted according to the schedule below from 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on December 10 through 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on December 22. This blackout period will affect only the amounts merged into the VIP from the Kestrel Plan. If you are currently participating in the VIP, this restriction will not affect access to your current VIP account.

This blackout period will ensure the efficient transfer of records to ING and transition of funds into one of the VIP lifecycle funds as shown in the chart on the previous page. Because this service interruption is unavoidable, please plan ahead. See the attached Update, “Important Notice Concerning Your Rights Under the Kestrel Enterprises, Inc. 401(k) Profit Sharing Plan & Trust,” which more fully describes the blackout period during which transactions will be restricted.

For more information, see the schedule of key dates below and an explanation about transaction restrictions during the blackout period.

If you do not have a current VIP account, you should receive a Boeing TotalAccess password, which you must use to access your VIP account. Please see “Frequently Asked Questions” beginning on page 3.

2010 Key Dates

For the Kestrel Plan

<table>
<thead>
<tr>
<th>Last Day to Process Transaction at Fidelity</th>
<th>Transaction</th>
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</thead>
<tbody>
<tr>
<td>December 10, 2010 (up to market close)</td>
<td>Update contributions and loan repayments</td>
</tr>
<tr>
<td>December 10, 2010 (up to market close)</td>
<td>Process distributions and loans from the plan</td>
</tr>
<tr>
<td>December 14, 2010 (up to market close)</td>
<td>Make a fund transfer, change investment elections, phone services cease for the plan</td>
</tr>
<tr>
<td>December 14, 2010 (up to market close)</td>
<td>Add new participants, and change existing participant information such as address, last name, and so forth</td>
</tr>
</tbody>
</table>
For the VIP

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2010</td>
<td>New participants who do not have a current VIP account will receive VIP information and a Boeing TotalAccess password under separate cover</td>
</tr>
<tr>
<td>December 15, 2010</td>
<td>Your Kestrel Plan account will merge into the VIP</td>
</tr>
<tr>
<td>December 22, 2010 (9 a.m. Eastern time; 8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time)</td>
<td>Your transferred Kestrel Plan account balances will be available for transactions in the VIP</td>
</tr>
</tbody>
</table>

Frequently Asked Questions

What if I have a question about my Kestrel Plan account?

Before December 15, contact Fidelity Management Trust Company (Fidelity) at 1-800-835-5097 available Monday through Friday (except stock market holidays) 8:30 a.m. to 8:30 p.m. Eastern time (7:30 a.m. to 7:30 p.m. Central time; 6:30 a.m. to 6:30 p.m. Mountain time; 5:30 a.m. to 5:30 p.m. Pacific time) for general account information. You will need your customer ID (or Social Security number) and Kestrel Plan personal identification number (PIN) for the telephone system. You may access your Kestrel Plan account online at www.401k.com.

Beginning December 22 at 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time), call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-800-755-6363) and follow the directions under “For More Information” on page 5. Boeing Savings Service Center representatives are available to assist you Monday through Friday from 9 a.m. to 9 p.m. Eastern time (8 a.m. to 8 p.m. Central time; 7 a.m. to 7 p.m. Mountain time; 6 a.m. to 6 p.m. Pacific time).

During the blackout period, representatives will be able to provide general information about the VIP, but they will not be able to answer specific questions about your transferred Kestrel Plan account information until your account is available on December 22, 2010.

Will I be able to use my current Kestrel Plan PIN for my VIP?

No. Your current PIN will not transfer to the VIP. To access your VIP account, you will need to use your Boeing TotalAccess password. If you do not have a Boeing TotalAccess password, call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-800-755-6363) and follow the prompts. A password reminder will be mailed to your address of record.

Will I receive a statement of my converted balance?

Yes. You will receive a final Kestrel Plan statement from Fidelity in December. This statement will show activity from January 1, 2010, through December 14, 2010.

Will I need to complete a new Beneficiary Designation form?

Yes, if you currently do not have a VIP account. It is very important that you make sure to designate a beneficiary to ensure your wishes are followed in the event of your death. If you currently have a VIP account, your VIP beneficiary will also apply to your newly merged funds from the Kestrel Plan. If you have a VIP account but have not designated a beneficiary yet, follow the information below to designate a beneficiary.

Online—Log on to https://my.boeing.com and click the TotalAccess tab. From the menu on the left click My Savings & Pension, then click Retirement Savings Plans and then click Boeing Savings Plans Online. If you are not at a Boeing location, log on to https://my-ext.boeing.com using your BEMS ID number (or Social Security number) and Boeing TotalAccess password. Once logged onto your savings plan account, click Go To My Account (if you have multiple Boeing Plan accounts, you first need to click Boeing Company VIP), click Personal Information, then click Beneficiary Information to add or change your beneficiary designation.
By telephone—Call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-800-755-6363) and follow the prompts. If you are calling from a rotary phone, stay on the line and a Boeing Savings Service Center representative will assist you. You must have your BEMS ID number (or Social Security number) and Boeing TotalAccess password when you call. Once connected to your savings plan account, press the zero ("0") key to speak with a Boeing Savings Service Center representative during business hours to make your beneficiary designation. Representatives are available 9 a.m. to 9 p.m. Eastern time, Monday through Friday except for stock market holidays.

You also can print the Beneficiary Designation form from the Boeing Savings Plans Online website. See below for more details about accessing your VIP account online.

**Will I be able to access my new VIP account on the Web?**

Yes, beginning at 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on December 22, 2010. To access your VIP account online from Boeing locations, log on to https://my.boeing.com on the Boeing Web, click the TotalAccess tab, then click the My Savings & Pension tab.

On the World Wide Web, log on to www.boeing.com/express. To access your VIP account, you will need to enter your BEMS ID number (or Social Security number) and your Boeing TotalAccess password.

**When will the blackout period begin?**

The blackout period will begin on December 10, 2010, when the restrictions and limitations described on page 2 begin. The transition of Kestrel Plan records to the VIP will begin on December 15. Certain account transactions in your Kestrel Plan account will not be allowed beginning 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on December 10, 2010. Please refer to the Key Dates section on page 2. Remember, the blackout period will not affect access to your current VIP account. You will have full access to your Kestrel Plan balance in the VIP as of 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on December 22, 2010.

**Where can I find more information regarding the VIP investment options before December 22?**

You can find VIP fund information on the Boeing Benefits & Compensation website (http://www.boeing.com/benefits/). Click Nonunion Employees, and then click Savings Plans. Select “Fund Fact Sheets” then “Voluntary Investment Plan” which will provide you with a list of all the funds available in the VIP.

**After the merger, will my account balance transferred from the Kestrel Plan have different features than my current VIP account?**

No, your account balance transferred to the VIP will have the same Plan features as your current VIP account.

**I am a terminated participant with an account balance in the Kestrel Plan and have never participated in the VIP. How will I access my Kestrel Plan account after the merger to the VIP?**

If you terminated your employment before becoming eligible to participate in the VIP, you may not have received a Boeing TotalAccess password. You will be mailed a Boeing TotalAccess password to your address on record. See “For More Information,” on page 5.

**As a terminated participant, how long will I be able to leave my account balance in the VIP?**

If your account balance is more than $1,000, you will be able to leave your account in the VIP until age 70½, when required minimum distributions must begin.
For More Information
Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions. You may also log on to [https://my-ext.boeing.com](https://my-ext.boeing.com). Click the TotalAccess tab.

- **By telephone:** Call Boeing TotalAccess at **1-866-473-2016**. You must have your BEMS ID number (or Social Security number) and Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak with the savings department.” Once you have been transferred to the Boeing Savings Service Center, press zero to be transferred to a customer service associate. Hearing-impaired callers with a telephone typewriter can access TTY/TDD services at **1-800-755-6363**. Service Center associates are available weekdays between 8 a.m. and 8 p.m. Central time.

### Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan descriptions for the following benefit plans:

- The Boeing Company Voluntary Investment Plan (Plan 002).
- Kestrel Enterprises, Inc. 401(k) Profit Sharing Plan & Trust.

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended.

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and the Plan documents listed above, the terms of the Plan documents will control. Copies of the VIP summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the VIP described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes

The Skarven Enterprises, Inc. 401(k) Profit Sharing Plan & Trust Will Merge Into The Boeing Company Voluntary Investment Plan

This Update summarizes plan changes that affect your retirement plans and updates your summary plan descriptions. The effective date of the changes is December 15, 2010, unless otherwise noted.

The changes apply to you if you have an account in the Skarven Enterprises, Inc. 401(k) Profit Sharing Plan & Trust (Skarven Plan).

This Update is for your information and is being provided to you as required by Federal law. Action may be required on your part.

Effective December 15, 2010, your account in the Skarven Plan will merge into The Boeing Company Voluntary Investment Plan (VIP). The investment funds in your Skarven Plan account will be sold, and the proceeds will be mapped to one of the five VIP lifecycle funds as shown below, except funds invested in the Fidelity Retirement Money Market Portfolio, which will be mapped to the VIP Stable Value Fund (see “Important notice” below). Subject to the “Important notice” below, your Skarven Plan account will be invested in the applicable lifecycle fund that has an associated date closest to your expected retirement year. Lifecycle fund fact sheets and the VIP Stable Value Fund fact sheet are also enclosed with this summary. The following chart displays the lifecycle fund that your Skarven Plan account will map to on December 15, 2010:

<table>
<thead>
<tr>
<th>Birth Date Range</th>
<th>How Your Skarven Plan Account Will Be Invested in the VIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>If your were born 12/31/1950 or before</td>
<td>Your Skarven Plan account will be invested in the Lifecycle Retirement Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1951 through 12/31/1960</td>
<td>Your Skarven Plan account will be invested in the Lifecycle 2020 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1961 through 12/31/1970</td>
<td>Your Skarven Plan account will be invested in the Lifecycle 2030 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1971 through 12/31/1980</td>
<td>Your Skarven Plan account will be invested in the Lifecycle 2040 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1981 or after</td>
<td>Your Skarven Plan account will be invested in the Lifecycle 2050 Fund</td>
</tr>
</tbody>
</table>

Important notice:

If you do not want your Skarven Plan account, or a portion thereof, to be invested in one of the VIP lifecycle funds, you may transfer your Skarven Plan account, or a portion thereof, into the Fidelity Retirement Money Market Portfolio (Fidelity fund code 0630) before 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on December 14, 2010. All funds invested in the Fidelity Retirement Money Market Portfolio as of 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on December 14, 2010, will be invested in the VIP Stable Value Fund. The Fidelity Retirement Money Market Portfolio is the only Skarven Plan fund that will not be invested in a lifecycle fund when assets transfer from Fidelity Management Trust Company (Fidelity) to ING.
Special notes:

- The Boeing Company (Company) does not underwrite, warrant, guarantee, or in any way ensure the performance of any investment option available through the Plans.

- All funds have a short-term redemption fee of 1.5 percent applied to the proceeds value of units sold on all sale transactions that occur 15 or fewer calendar days from the date the units are purchased (excluding contributions, loan repayments, or rollover contributions). This fee will not apply to amounts initially merged into the VIP from the Skarven Plan. You may transfer initially merged funds without incurring the short-term redemption fee.

Restrictions and Limitations to Service During the Blackout Period, December 10 through December 22, 2010

ING, the recordkeeper of the VIP, is working closely with the Company to ensure that the transition from the Skarven Plan to the VIP occurs with minimal disruption in service. To this end, transactions in the Skarven Plan will be restricted according to the schedule below from 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on December 10 through 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on December 22. This blackout period will affect only the amounts merged into the VIP from the Skarven Plan. If you are currently participating in the VIP, this restriction will not affect access to your current VIP account.

This blackout period will ensure the efficient transfer of records to ING and transition of funds into one of the VIP lifecycle funds as shown in the chart on the previous page. Because this service interruption is unavoidable, please plan ahead. See the attached Update, “Important Notice Concerning Your Rights Under the Skarven Enterprises, Inc. 401(k) Profit Sharing Plan & Trust,” which more fully describes the blackout period during which transactions will be restricted.

For more information, see the schedule of key dates below and an explanation about transaction restrictions during the blackout period.

If you do not have a current VIP account, you should receive a Boeing TotalAccess password, which you must use to access your VIP account. Please see “Frequently Asked Questions” beginning on page 3.

2010 Key Dates

For the Skarven Plan

<table>
<thead>
<tr>
<th>Last Day to Process Transaction at Fidelity</th>
<th>Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 14, 2010 (up to market close)</td>
<td>Add new participants and change existing participant information such as address, last name, and so forth</td>
</tr>
<tr>
<td>December 10, 2010 (up to market close)</td>
<td>Update contributions and loan repayments</td>
</tr>
<tr>
<td>December 10, 2010 (up to market close)</td>
<td>Process distributions and loans from the plan</td>
</tr>
<tr>
<td>December 14, 2010 (up to market close)</td>
<td>Make a fund transfer, change investment elections, phone services cease for the plan</td>
</tr>
</tbody>
</table>
For the VIP

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2010</td>
<td>New participants who do not have a current VIP account will receive VIP information and a Boeing TotalAccess password under separate cover</td>
</tr>
<tr>
<td>December 15, 2010</td>
<td>Your Skarven Plan account will merge into the VIP</td>
</tr>
<tr>
<td>December 22, 2010 (9 a.m. Eastern; 8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time)</td>
<td>Your transferred Skarven Plan account balances will be available for transactions in the VIP</td>
</tr>
</tbody>
</table>

Frequently Asked Questions

What if I have a question about my Skarven Plan account?

Before December 15, contact Fidelity Management Trust Company (Fidelity) at 1-800-835-5097 available Monday through Friday (except stock market holidays) 8:30 a.m. to 8:30 p.m. Eastern time (7:30 a.m. to 7:30 p.m. Central time; 6:30 a.m. to 6:30 p.m. Mountain time; 5:30 a.m. to 5:30 p.m. Pacific time) for general account information. You will need your customer ID (or Social Security number) and Skarven Plan personal identification number (PIN) for the phone system. You may access your Skarven Plan account online at www.401k.com. You will need your customer ID (or Social Security number) and PIN for online access.

Beginning December 22 at 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time), call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-800-755-6363) and follow the directions under “For More Information” on page 5. Boeing Savings Service Center representatives are available to assist you Monday through Friday from 9 a.m. to 9 p.m. Eastern time (8 a.m. to 8 p.m. Central time; 7 a.m. to 7 p.m. Mountain time; 6 a.m. to 6 p.m. Pacific time).

During the blackout period, representatives will be able to provide general information about the VIP, but they will not be able to answer specific questions about your transferred Skarven Plan account information until your account is available on December 22, 2010.

Will I be able to use my current Skarven Plan PIN for my VIP?

No. Your current PIN will not transfer to the VIP. To access your VIP account, you will need to use your Boeing TotalAccess password. If you do not have a Boeing TotalAccess password, call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-800-755-6363) and follow the prompts. A password reminder will be mailed to your address of record.

Will I receive a statement of my converted balance?

Yes. You will receive a final Skarven Plan statement from Fidelity in December. This statement will show activity from January 1, 2010, through December 14, 2010.

What will happen to my Roth 401(k) balance?

Your Roth 401(k) balance will also roll over into the VIP. Your Roth 401(k) balance and associated earnings will be held in a separate source. The Company does not offer a Roth 401(k); therefore, you will not be able to add new contributions to your Roth source. Please contact the Boeing Savings Service Center for information regarding withdrawals of any Roth contributions in your rollover account as special rules apply.

Will I need to complete a new Beneficiary Designation form?

Yes, if you currently do not have a VIP account. It is very important that you make sure to designate a beneficiary to ensure your wishes are followed in the event of your death. If you currently have a VIP account, your VIP beneficiary will also apply to your newly merged funds from the Skarven Plan. If you have a VIP account but have not designated a beneficiary yet, follow the information on page 4 to designate a beneficiary.
**Online**—Log on to https://my.boeing.com and click the TotalAccess tab. From the menu on the left click My Savings & Pension, then click Retirement Savings Plans and then click Boeing Savings Plans Online. On the World Wide Web, log on to www.boeing.com/express using your BEMS ID number (or Social Security number) and Boeing TotalAccess password. Once logged onto your savings plan account, click Go To My Account (if you have multiple Boeing Plan accounts, you first need to click Boeing Company VIP), click Personal Information, then click Beneficiary Information to add or change your beneficiary designation.

**By telephone**—Call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-800-755-6363) and follow the prompts. You must have your BEMS ID number (or Social Security number) and Boeing TotalAccess password when you call. Once connected to your savings plan account, press the zero ("0") key to speak with a Boeing Savings Service Center associate during business hours to make your beneficiary designation. Representatives are available 9 a.m. to 9 p.m. Eastern time, Monday through Friday except for stock market holidays.

You also can print the Beneficiary Designation form from the Boeing Savings Plans Online website. See below for more details about accessing your VIP account online.

**Will I be able to access my new VIP account on the Web?**

Yes, beginning at 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on December 22, 2010. To access your VIP account online from Boeing locations, log on to https://my.boeing.com on the Boeing Web, click the TotalAccess tab, then click the My Savings & Pension tab.

On the World Wide Web, log on to www.boeing.com/express. To access your VIP account, you will need to enter your BEMS ID number (or Social Security number) and your Boeing TotalAccess password.

**When will the blackout period begin?**

The blackout period will begin on December 10, 2010, when the restrictions and limitations described on page 2 begin. The transition of Skarven Plan records to the VIP will begin on December 15. **Certain account transactions in your Skarven Plan account will not be allowed beginning 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on December 10, 2010.** Please refer to the Key Dates section on page 2. Remember, the blackout period will not affect access to your current VIP account. You will have full access to your Skarven Plan balance in the VIP as of 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on December 22, 2010.

**Where can I find more information regarding the VIP investment options before December 22?**

You can find VIP fund information on the Boeing Benefits & Compensation website (http://www.boeing.com/benefits/). Click Nonunion Employees, and then click Savings Plans. Select “Fund Fact Sheets” then “Voluntary Investment Plan,” which will provide you with a list of all the funds available in the VIP.

**After the merger, will my account balance transferred from the Skarven Plan have different features than my current VIP account?**

No, your account balance transferred to the VIP will have the same Plan features as your current VIP account.

**I am a terminated participant with an account balance in the Skarven Plan and have never participated in the VIP. How will I access my Skarven Plan account after the merger to the VIP?**

If you terminated your employment before becoming eligible to participate in the VIP, you may not have received a Boeing TotalAccess password. You will be mailed a Boeing TotalAccess password to your address on record. See “For More Information,” on page 5.

**As a terminated participant, how long will I be able to leave my account balance in the VIP?**

If your account balance is more than $1,000, you will be able to leave your account in the VIP until age 70½, when required minimum distributions must begin.
For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to https://my.boeing.com and click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMS ID number (or Social Security number) and your Boeing TotalAccess password. Click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions. Click the TotalAccess tab.

- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. You must have your BEMS ID number (or Social Security number) and Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak with the savings department.” Once you have been transferred to the Boeing Savings Service Center, press zero to be transferred to a customer service associate. Hearing-impaired callers with a telephone typewriter can access TTY/TDD services at 1-800-755-6363. Service Center associates are available weekdays between 8 a.m. and 8 p.m. Central time.

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**Plan Amendment Information**

This *Update* is a summary of material modifications to your summary plan descriptions for the following benefit plans:

- The Boeing Company Voluntary Investment Plan (Plan 002).
- Skarven Enterprises, Inc. 401(k) Profit Sharing Plan & Trust.

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended.

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and the Plan documents listed above, the terms of the Plan documents will control. Copies of the VIP summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the VIP described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of VIP and FSP Plan Change

SPEEA (Professional, Technical, and Wichita Engineering Units)

This Update summarizes a change from a Letter of Understanding that affects your savings plan(s) and updates your summary plan description(s). The effective date of this change is March 1, 2011.

The change in this Update will apply to you if you are an employee, or former employee, of The Boeing Company represented, or formerly represented, by the Society of Professional Engineering Employees in Aerospace (“SPEEA”)—Professional, Technical, or Engineering Units.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The change in this Update applies to the following plans:
- The Boeing Company Voluntary Investment Plan (VIP) (Plan 002).
- The Boeing Company Employee Financial Security Plan (FSP) (Plan 003).

ING Advisor Service*

Effective March 1, 2011, you can use the new ING Advisor Service if you are a participant in the VIP or FSP. ING Advisor Service offers personalized, objective investment advice two ways:
- Use the Personal Online Advisor on Boeing Savings Plans Online through Boeing TotalAccess and/or speak with an ING Investment Advisor Representative by calling the Boeing Savings Service Center through Boeing TotalAccess, or
- Enroll in the Professional Account Manager program and have a professional manage your account for you.**

* Your account will be assessed a monthly fee of $0.50 per month (if you have both a VIP and FSP account, only one monthly fee applies). This fee applies to all participants eligible for ING Advisor Service.

** You will pay a monthly fee if you enroll in the Professional Account manager program. The fee is based on your total account balance. The annualized fee is 0.4% on the first $50,000 of your account balance, then 0.3% on the next $50,000, 0.2% on the next $50,000, and 0.1% on balances over $150,000.

Additional information on the ING Advisor Service will be sent in the future.

For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- On the Boeing Web: Log on to https://my.boeing.com and click the TotalAccess tab.

- By telephone: Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMS ID number (or Social Security number) and TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press the zero key to be transferred to a customer service representative. Customer service representatives are available weekdays between 8 a.m. to 8 p.m. Central time, except for Stock Market holidays.
Plan Amendment Information

This Update is a summary of material modifications to your summary plan description for

- The Boeing Company Voluntary Investment Plan (Plan 002).
- The Boeing Company Employee Financial Security Plan (Plan 003).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended.

Every effort has been made to provide accurate information in this Update. In the event of a conflict between this Update and the Plan documents listed above, the terms of the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described in this Update, the Company reserves the right to change, modify, amend, or terminate the Plans at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Savings Plan Changes

Certain Employees in the VIP

This Update summarizes a change that affects your savings plan and updates your summary plan description.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The change in this Update applies to The Boeing Company Voluntary Investment Plan (VIP) (Plan 002).

Employer Matching Contributions to Be Made in Boeing Stock

Beginning with the first paycheck on or after the dates indicated on page 2, you began receiving your employer matching contributions in the form of Boeing Stock Fund units. These units were and will continue to be contributed and posted to your VIP account in the Boeing Stock Fund each payday and can be viewed online the following day. The value of employer matching contributions that you are entitled to receive has not changed; a number of Boeing Stock Fund units equal to the value you would otherwise have received as cash was and will be made to your VIP account. The number of Boeing Stock Fund units posted to your VIP account was and will be based upon the dollar amount of the employer matching contribution, divided by the Boeing Stock Fund’s unit value as of the market close each payday.

Transfers To/From Boeing Stock Fund

There was no change in the ability to process transfers, including into or out of the Boeing Stock Fund, at any time. Subject to insider trading rules, you may, at any time after the contributions have been posted, elect to transfer an amount equivalent to your employer matching contribution to another investment option available to you under the VIP without incurring redemption fees. In addition, any other amounts that you have invested in the Boeing Stock Fund that have remained in the fund for more than 15 days may be transferred out of the fund without incurring redemption fees. However, any amounts transferred into the Boeing Stock Fund from other funds in the VIP within the 15 days before your transfer request will continue to be subject to normal redemption fees.

Fund transfers made before 4 p.m. Eastern time on a day that the New York Stock Exchange (NYSE) is open will be effective the same day. Fund transfers made on or after 4 p.m. Eastern time or on a day that the NYSE is closed will be effective on the next day the NYSE is open.

Insider Trading Rules

Insider trading rules apply to transferring funds into or out of the Boeing Stock Fund. This means that you cannot transfer funds into or out of the Boeing Stock Fund if you are aware of material nonpublic information about the Company. See PRO-12, “Buying and Selling Securities - Insider Trading.” This includes participating in the automatic rebalancing feature of the VIP.

Employees who are eligible to receive the Boeing Stock match need to take the Insider Trading Course (TR007835) to help ensure they understand the rules to protect against insider trading.
The following unions receive employer matching contributions in stock:

**Effective October 7, 2010**
- International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, Local No. 148
- International Association of Machinists and Aerospace Workers, Local No. 837
- International Association of Machinists and Aerospace Workers, Local No. 1163
- International Association of Firefighters, AFL-CIO, Local No. I-66
- International Brotherhood of Electrical Workers, AFL-CIO, Local No. 2295

**Effective January 13, 2011**
- International Brotherhood of Electrical Workers, AFL-CIO, Local No. 2295
- International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, Local No. 887

**Effective January 27, 2011**
- International Association of Machinists and Aerospace Workers, Local No. 1163

For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMS ID number and your Boeing TotalAccess password. Click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **By telephone:** Call Boeing TotalAccess at **1-866-473-2016**. TTY/TDD services are available at 1-800-755-6363. You must have your BEMS ID number and your Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service associate. Service Center associates are available weekdays between 8 a.m. and 8 p.m. Central time.

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**Plan Amendment Information**

This *Update* is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and The Boeing Company Voluntary Investment Plan document, the terms of The Boeing Company Voluntary Investment Plan document will control. Copies of the summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plan described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Savings Plan Changes

Employees Currently Represented and Formerly Represented by IBT 952 and 986

This Update summarizes the collectively bargained changes that will affect your savings plan and updates your summary plan description. The effective date of these changes for the following union-represented employees is July 1, 2011:

- International Brotherhood of Teamsters (IBT), Local No. 952.
- International Brotherhood of Teamsters (IBT), Local No. 986.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes in this Update apply to The Boeing Company Voluntary Investment Plan (VIP) (Plan 002).

Employer Matching Contributions to Be Made in Boeing Stock

Beginning with the first paycheck after July 1, 2011, for employees represented by IBT 952 and IBT 986, you will receive your employer matching contributions in the form of Boeing Stock Fund units. These units will be contributed and posted to your VIP account in the Boeing Stock Fund each payday and can be viewed online the following day.

The value of employer matching contributions that you are entitled to receive is not changing; a number of Boeing Stock Fund units equal to the value you would otherwise have received as cash will be made to your VIP account. The number of Boeing Stock Fund units posted to your VIP account will be based upon the dollar amount of the employer matching contribution, divided by the Boeing Stock Fund's unit value as of the market close each payday.

Transfers To/From Boeing Stock Fund

There is no change in the ability to process transfers, including into or out of the Boeing Stock Fund, at any time. Subject to insider trading rules, you may, at any time after the contributions have been posted, elect to transfer an amount equivalent to your employer matching contribution to another investment option available to you under the VIP without incurring redemption fees. In addition, any other amounts that you have invested in the Boeing Stock Fund that have remained in the fund for more than 15 days may be transferred out of the fund without incurring redemption fees. However, any amounts transferred into the Boeing Stock Fund from other funds in the VIP within the 15 days before your transfer request will continue to be subject to normal redemption fees.

Fund transfers made before 4 p.m. Eastern time on a day that the New York Stock Exchange (NYSE) is open will be effective the same day. Fund transfers made on or after 4 p.m. Eastern time or on a day that the NYSE is closed will be effective on the next day the NYSE is open.
Insider Trading Rules

Insider trading rules apply to transferring funds into or out of the Boeing Stock Fund. This means that you cannot transfer funds into or out of the Boeing Stock Fund if you are aware of material nonpublic information about the Company. See PRO-12, “Buying and Selling Securities - Insider Trading.” This includes participating in the automatic rebalancing feature of the VIP. Go to Boeing Savings Plans Online for more information about the automatic rebalancing feature (See “For More Information” below).

Employees who are eligible to receive the Boeing Stock match need to take the Insider Trading course (TR007835) to help ensure they understand the rules to protect against insider trading.

ING Advisor Service*

Effective July 1, 2011, you can use the new ING Advisor Service if you are a participant in the VIP. ING Advisor Service offers personalized, objective investment advice two ways:

- Use the Personal Online Advisor on Boeing Savings Plans Online through Boeing TotalAccess and/or speak with an ING Investment Advisor representative by calling the Boeing Savings Service Center through Boeing TotalAccess, or

- Enroll in the Professional Account Manager program and have a professional manage your account for you.**

* Your account will be assessed a monthly fee of $0.50 per month. This fee applies to all participants eligible for ING Advisor Service.

** You will pay a monthly fee if you enroll in the Professional Account Manager program. The fee is based on your total account balance. The annualized fee is 0.4% on the first $50,000 of your account balance, then 0.3% on the next $50,000, 0.2% on the next $50,000, and 0.1% on balances over $150,000.

For additional information on the ING Advisor Service, you can call ING or you can obtain information through TotalAccess.

For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to my.boeing.com and click the TotalAccess tab.

- **On the World Wide Web:** Log on to www.boeing.com/express or https://my-ext.boeing.com using your BEMSID number (or Social Security number) and your Boeing TotalAccess password.

- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMSID number and your Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press the zero key to be transferred to a customer service associate. Service associates are available weekdays between 8 a.m. and 8 p.m. Central time.
Plan Amendment Information

This Update is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this Update. In the event of a conflict between this Update and The Boeing Company Voluntary Investment Plan document, the terms of The Boeing Company Voluntary Investment Plan document will control. Copies of the summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plan described here, the Company reserves the right to change, modify, amend, or terminate the plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of VIP and FSP Plan Change

AMPA (Airplane Manufacturing Pilots Association)

This Update summarizes a change that affects your savings plans and updates your summary plan descriptions. The effective date of this change is July 1, 2011.

The change in this Update will apply to you if you are an employee, or former employee, of The Boeing Company represented, or formerly represented, by the Airplane Manufacturing Pilots Association.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The change in this Update applies to the following plans:
- The Boeing Company Voluntary Investment Plan (VIP) (Plan 002).
- The Boeing Company Employee Financial Security Plan (FSP) (Plan 003).

ING Advisor Service*

Effective July 1, 2011, you can use the new ING Advisor Service if you are a participant in the VIP or FSP. ING Advisor Service offers personalized, objective investment advice two ways:

- Use the Personal Online Advisor on Boeing Savings Plans Online through Boeing TotalAccess and/or speak with an ING Investment Advisor representative by calling the Boeing Savings Service Center through Boeing TotalAccess, or
- Enroll in the Professional Account Manager program and have a professional manage your account for you.**

* Your account will be assessed a monthly fee of $0.50 per month (if you have both a VIP and FSP account, only one monthly fee applies). This fee applies to all participants eligible for ING Advisor Service.

** You will pay a monthly fee if you enroll in the Professional Account manager program. The fee is based on your total account balance. The annualized fee is 0.4% on the first $50,000 of your account balance, then 0.3% on the next $50,000, 0.2% on the next $50,000, and 0.1% on balances over $150,000.

For additional information on the ING Advisor Service, you can call ING or you can obtain information through TotalAccess.

For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.
- On the Boeing Web: Log on to my.boeing.com and click the TotalAccess tab.
- By telephone: Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMSID number and TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press the zero key and request to speak with an ING Investment Advisor representative. ING Investment Advisor representatives are available weekdays between 8 a.m. to 8 p.m. Central time, except for Stock Market holidays.
Plan Amendment Information

This Update is a summary of material modifications to your summary plan description for

- The Boeing Company Voluntary Investment Plan (Plan 002).
- The Boeing Company Employee Financial Security Plan (Plan 003).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended.

Every effort has been made to provide accurate information in this Update. In the event of a conflict between this Update and the Plan documents listed above, the terms of the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plans described in this Update, the Company reserves the right to change, modify, amend, or terminate the Plans at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Savings Plan Changes

Employees Currently Represented and Formerly Represented by IAFF I-17

This Update summarizes a change that affects your savings plan and updates your summary plan description. The effective date of this change for employees represented by IAFF I-17 is September 1, 2011.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes in this Update apply to The Boeing Company Voluntary Investment Plan (VIP) (Plan 002).

Employer Matching Contributions to Be Made in Boeing Stock

Beginning with the first paycheck after September 1, 2011, for employees represented by IAFF I-17, you will receive your employer matching contributions in the form of Boeing Stock Fund units. These units will be contributed and posted to your VIP account in the Boeing Stock Fund each payday and can be viewed online the following day.

The value of employer matching contributions that you are entitled to receive is not changing; a number of Boeing Stock Fund units equal to the value you would otherwise have received as cash will be made to your VIP account. The number of Boeing Stock Fund units posted to your VIP account will be based upon the dollar amount of the employer matching contribution, divided by the Boeing Stock Fund’s unit value as of the market close each payday.

Transfers To/From Boeing Stock Fund

There is no change in the ability to process transfers, including into or out of the Boeing Stock Fund, at any time. Subject to insider trading rules, you may, at any time after the contributions have been posted, elect to transfer an amount equivalent to your employer matching contribution to another investment option available to you under the VIP without incurring redemption fees. In addition, any other amounts that you have invested in the Boeing Stock Fund that have remained in the fund for more than 15 days may be transferred out of the fund without incurring redemption fees. However, any amounts transferred into the Boeing Stock Fund from other funds in the VIP within the 15 days before your transfer request will continue to be subject to normal redemption fees.

Fund transfers made before 4 p.m. Eastern time on a day that the New York Stock Exchange (NYSE) is open will be effective the same day. Fund transfers made on or after 4 p.m. Eastern time or on a day that the NYSE is closed will be effective on the next day the NYSE is open.

Insider Trading Rules

Insider trading rules apply to transferring funds into or out of the Boeing Stock Fund. This means that you cannot transfer funds into or out of the Boeing Stock Fund if you are aware of material nonpublic information about the Company. See PRO-12, “Buying and Selling Securities - Insider Trading.” This includes participating in the automatic rebalancing feature of the VIP. Go to Boeing Savings Plans Online for more information about the automatic rebalancing feature (see “For More Information,” on the next page).

Employees who are eligible to receive the Boeing Stock match need to take the Insider Trading Course (TR007835) to help ensure they understand the rules to protect against insider trading.
ING Advisor Service*

Effective September 1, 2011, you can use the new ING Advisor Service if you are a participant in the VIP. ING Advisor Service offers personalized, objective investment advice two ways:

- Use the Personal Online Advisor on Boeing Savings Plans Online through Boeing TotalAccess and/or speak with an ING Investment Advisor Representative by calling the Boeing Savings Service Center through Boeing TotalAccess, or
- Enroll in the Professional Account Manager program and have a professional manage your account for you.**

* Your account will be assessed a monthly fee of $0.50 per month. This fee applies to all participants eligible for ING Advisor Service.

** You will pay a monthly fee if you enroll in the Professional Account Manager program. The fee is based on your total account balance. The annualized fee is 0.4% on the first $50,000 of your account balance, then 0.3% on the next $50,000, 0.2% on the next $50,000, and 0.1% on balances over $150,000.

For additional information on the ING Advisor Service, you can call ING or you can obtain information through TotalAccess.

For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- On the Boeing Web: Log on to my.boeing.com and click the TotalAccess tab.
- By telephone: Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-800-755-6363. You must have your BEMSID number and your Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press the zero key to be transferred to a customer service associate. Service associates are available weekdays between 8 a.m. and 8 p.m. Central time.

Plan Amendment Information

This Update is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002). This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this Update. In the event of a conflict between this Update and The Boeing Company Voluntary Investment Plan document, the terms of The Boeing Company Voluntary Investment Plan document will control. Copies of the summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plan described here, the Company reserves the right to change, modify, amend, or terminate the plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Savings Plans Changes

FSP to Merge Into the VIP

This Update summarizes plan changes that affect your savings plans and updates your summary plan descriptions. The effective date of the changes is September 30, 2011, unless otherwise noted.

The changes apply to you if you have an account in The Boeing Company Employee Financial Security Plan (FSP) (Plan 003).

This Update is for your information and is being provided to you as required by Federal law. Action may be required on your part.

Effective September 30, 2011, the FSP will merge into The Boeing Company Voluntary Investment Plan (VIP). Your FSP account balance will automatically transfer to the VIP. If you do not already have a VIP account, one will be established for you.

Your FSP account will be valued as of 4 p.m. Eastern time, on Friday, September 30, 2011, for merger into the VIP. The September 30, 2011, fund prices will be used to purchase units of similar funds in the VIP (see pages 3 and 4 on how your FSP investment funds will transfer to funds in the VIP). As of 9 a.m. Eastern time on October 3, 2011, your FSP account balance will automatically be reflected in your VIP account. The balance of your FSP account will be invested at all times.

Also, if you are at least 70½ (or will be by the end of the year), and you are terminated or retired from the Company, you are required to take minimum distributions from the FSP. If you have not taken a withdrawal from your FSP that satisfies this requirement by September 16, a minimum distribution will be processed before the merger into the VIP.

The following information provides more details about the FSP merger and how it affects you.

Restrictions and Limitations to Service From September 28, 2011, Through October 3, 2011

All FSP balances will transfer automatically to the VIP the weekend of October 1, 2011. From 4 p.m. Eastern time, on September 28, 2011, until 9 a.m. Eastern time, on October 3, 2011, you will be restricted from changing your investment election, making fund transfers or reallocations, requesting an in-service withdrawal, requesting a termination distribution, and conducting all other plan transactions with respect to your FSP account. This short restriction period is necessary to ensure a smooth transition of your FSP account to the VIP. If you already have a VIP account, you will continue to have full access to that account, including making investment elections and fund transfers. In other words, the restriction will not affect your existing VIP account.

As of 9 a.m. Eastern time, on October 3, 2011, you will have full access to your account in the VIP, which will include the assets transferred from your FSP account.

You should review your investment elections in the FSP and VIP before and after the short restriction period and make any investment election changes and fund transfers according to your wishes. The VIP offers the same 18 investment funds that are currently offered in the FSP. In addition, the VIP also offers the Boeing Stock Fund so after the merger, you may also invest your FSP funds in the Boeing Stock Fund. For more information, see “VIP Features That Will Become Effective October 3, 2011,” on page 2, and “How the Funds Will Transfer to the VIP,” on pages 3 and 4.
Under both plans, a transfer out of an investment fund that is executed during the 15 calendar-day period after a transfer into that fund is subject to a redemption fee. This rule will not apply to the transfer of funds that occurs because of the merger of FSP accounts into the VIP, although it will apply to subsequent transfers of former FSP funds within the VIP.

If you do not currently have a VIP account, the beneficiaries you have designated for your FSP account will automatically be updated to the VIP account that will be set up for you. If you have accounts in both plans, your designated beneficiaries in the VIP will remain and also apply to your merged FSP funds. If you currently have different beneficiaries and this is not your intention, you will need to update your VIP beneficiary designation on or after October 3, 2011.

**VIP Features That Will Become Effective October 3, 2011**

Additional features in the VIP will now apply to the funds merged from your FSP account. These VIP features include the following:

- **VIP Investment Funds.** In addition to the 18 investment fund options under the VIP that were also available to you under the FSP, you may now invest your FSP funds and process transfers to/from other VIP investment funds, including into or out of the Boeing Stock Fund, at any time.

  As with your other VIP account balances, if you choose to invest in the Boeing Stock Fund, the number of Boeing Stock Fund units posted to your FSP account will be based upon the dollar value of your election, divided by the Boeing Stock Fund’s unit value as of the market close on the effective date of your election. Fund transfers made before 4 p.m. Eastern time on a day that the New York Stock Exchange (NYSE) is open will be effective the same day. Fund transfers made on or after 4 p.m. Eastern time or on a day that the NYSE is closed will be effective on the next day the NYSE is open.

  Any amounts that you have invested in the VIP investment funds, including the Boeing Stock Fund, that have remained in the fund for more than 15 days may be transferred out of the fund without incurring redemption fees. However, any amounts transferred into any VIP investment fund, including the Boeing Stock Fund, from other funds in the VIP within the 15 days before your transfer request will continue to be subject to normal redemption fees.

  As with your other VIP accounts, insider trading rules apply to transferring funds into or out of the Boeing Stock Fund. This means that you cannot transfer funds into or out of the Boeing Stock Fund if you are aware of material nonpublic information about the Company. See PRO-12, “Buying and Selling Securities - Insider Trading.” This includes participating in the automatic rebalancing feature of the VIP.

  Employees need to take the Insider Trading Course (TR007835) to help ensure they understand the rules to protect against insider trading.

- **The Boeing Stock Fund dividend payout program.** The Boeing Stock Fund dividend payout program allows you to choose to receive your quarterly dividend either by reinvesting the dividend in Boeing stock or paid to you in cash. This will also apply to any of your FSP funds that are subsequently invested in the Boeing Stock Fund.

  Unless you make an election to have the dividends paid out, you are automatically set up for the Boeing Stock Fund dividend reinvestment option. The dividends are used to purchase additional Boeing Stock Fund units. The other option is that you may choose to have your dividends paid to you in cash. If you elect this option, a check will be mailed as soon as administratively possible after the dividend payment date. Your payment will be taxable as ordinary income but will not be subject to the early withdrawal penalty. Taxes will not be withheld from cash dividend payments.

  You may change your election on how you want your dividend paid—either in cash or reinvested in the Boeing Stock Fund—anytime before 4 p.m. Eastern time on the day before the “ex-date.” The ex-date is the date on which the owner/seller, and not the buyer, of a stock will be entitled to a recently announced dividend. The ex-date will be posted each quarter on the Boeing Corporate Secretary’s Dividend Payment History website: [www.boeing.com/companyoffices/financial/table.html](http://www.boeing.com/companyoffices/financial/table.html).
Your balance in the Boeing Stock Fund on the day before the ex-date determines the amount of your dividend. Stock fund units acquired on or after the ex-date are not eligible to receive a dividend in the current quarter. You can make your election online or by telephone. To make your election online, go to the Dividends section of your account at Boeing Savings Plans Online. See “For More Information” on page 6 for instructions on accessing your savings account.

Once you have made an election, it will remain in place until you change it; you do not need to make an election each quarter. You can change your election at any time; however, to be effective for the current-quarter dividend, you must make the change before the ex-date. If you do not make any election regarding dividends, your dividends automatically will be reinvested in the Boeing Stock Fund.

For the VIP to offer a dividend payout program, the IRS requires that the Boeing Stock Fund is designated as an employee stock ownership plan (ESOP). Structuring the Boeing Stock Fund as an ESOP results in tax savings for the Company and provides participants with more flexibility in managing their VIP accounts.

Note: Participants who transfer their balances out of the Boeing Stock Fund after the ex-date but before the dividend payment date for a given quarter will still receive that quarter’s dividend, to be either reinvested in the Boeing Stock Fund or paid in cash, as elected by the participant.

- FSP In-Service Withdrawal Provisions Retained. While the provision for sick leave withdrawals will continue to apply to the FSP funds in your VIP account, other provisions for withdrawals of your VIP account balances while you are an active employee will not apply to your merged FSP funds in your VIP account. This means you will not be able to use the VIP loan feature to borrow the merged FSP funds, nor will you be able to request a hardship or other in-service withdrawal of your FSP funds before attaining age 59½. However, your FSP funds will be used in determining the maximum loan amount available to you under the VIP.

How the Funds Will Transfer to the VIP

Balances in the FSP will transfer to identical or very similar VIP funds that correspond with your FSP fund balances as of September 30, 2011. If you do not have an existing VIP account, your FSP investment elections on file as of September 30, 2011, will also be transferred to the VIP. If you do not have an existing VIP account, additional information regarding the VIP and investment options is being sent to you in a separate mailing. You can also access fund information online through Boeing TotalAccess. See “For More Information,” on page 6.

You are encouraged to review the VIP fund information to prepare for the FSP merger and make any necessary changes before the plan merger. If you are comfortable with your current investment allocation and how your investment funds will transfer over to the VIP, no further action is necessary. The FSP funds will map to the corresponding VIP funds as shown below:

<table>
<thead>
<tr>
<th>FSP Fund Options Map To:</th>
<th>VIP Fund Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifecycle Retirement Fund</td>
<td>Lifecycle Retirement Fund</td>
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<tr>
<td>Lifecycle 2020 Fund</td>
<td>Lifecycle 2020 Fund</td>
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<tr>
<td>Lifecycle 2030 Fund</td>
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<td>Lifecycle 2040 Fund</td>
<td>Lifecycle 2040 Fund</td>
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<tr>
<td>Lifecycle 2050 Fund</td>
<td>Lifecycle 2050 Fund</td>
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<tr>
<td>Bond Market Index Fund</td>
<td>Bond Market Index Fund</td>
</tr>
<tr>
<td>Balanced Index Fund</td>
<td>Balanced Index Fund</td>
</tr>
<tr>
<td>S&amp;P 500 Index Fund</td>
<td>S&amp;P 500 Index Fund</td>
</tr>
<tr>
<td>Russell 2000 Index Fund</td>
<td>Russell 2000 Index Fund</td>
</tr>
<tr>
<td>International Index Fund</td>
<td>International Index Fund</td>
</tr>
</tbody>
</table>
**Benefits Information (continued)**

<table>
<thead>
<tr>
<th>FSP Fund Options Map To:</th>
<th>VIP Fund Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>FSP Stable Value Fund</td>
<td>VIP Stable Value Fund</td>
</tr>
<tr>
<td>Global Bond Fund</td>
<td>Global Bond Fund</td>
</tr>
<tr>
<td>Diversified Real Asset Fund</td>
<td>Diversified Real Asset Fund</td>
</tr>
<tr>
<td>U.S. Large Companies Fund</td>
<td>U.S. Large Companies Fund</td>
</tr>
<tr>
<td>Global Equity Fund</td>
<td>Global Equity Fund</td>
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<tr>
<td>International Companies Fund</td>
<td>International Companies Fund</td>
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<tr>
<td>U.S. Small/Mid Companies Fund</td>
<td>U.S. Small/Mid Companies Fund</td>
</tr>
<tr>
<td>Science and Technology Fund</td>
<td>Science and Technology Fund</td>
</tr>
</tbody>
</table>

**Special Note:** Neither The Boeing Company, nor any Boeing affiliate or subsidiary, the funds’ managers, the Plans’ fiduciaries, or the U.S. Government underwrite, warrant, guarantee, or in any way insure the performance of any investment option available through the Plans.

**Key Dates for the FSP/VIP Merger**

<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 28, 2011, at 4 p.m. Eastern time</td>
<td>Restricted from the following transactions in the FSP:</td>
</tr>
<tr>
<td></td>
<td>• Making investment election changes, fund transfers, or fund reallocations</td>
</tr>
<tr>
<td></td>
<td>• Requesting an in-service withdrawal or termination distribution</td>
</tr>
<tr>
<td></td>
<td>• Designating beneficiaries</td>
</tr>
<tr>
<td>September 30, 2011, at 4 p.m. Eastern time</td>
<td>Final valuation of FSP accounts</td>
</tr>
<tr>
<td>October 1–2, 2011</td>
<td>FSP accounts will no longer be available from the Boeing Savings Service Center automated phone system and will no longer appear on the home page of the Boeing Savings Plans Online website or on the Savings &amp; Pension portal of Boeing TotalAccess; however, the transfer will be reflected in the VIP Transaction History section of the website</td>
</tr>
<tr>
<td>October 3, 2011, at 9 a.m. Eastern time</td>
<td>Participants have full access and visibility to transferred FSP accounts in the VIP; future FSP contributions will be posted to your FSP account in the VIP</td>
</tr>
</tbody>
</table>

**Frequently Asked Questions**

*Why is my FSP account being merged into the VIP?*

If you currently have accounts in both the FSP and the VIP, merging them will give you the convenience of having your money in one plan. This will make it easier to access your account for any transactions you would like to make including monitoring the performance of your plan investments. Merging the two plans also simplifies savings plan accounting and recordkeeping and reduces plan administration costs.

*If I have a question about my FSP account, whom should I call?*

Call the Boeing Savings Service Center through Boeing TotalAccess at **1-866-473-2016** (TTY/TDD users call **1-866-628-5803**). When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press the zero key to be transferred to a customer service representative. Customer service representatives are available weekdays between 8 a.m. and 8 p.m. Central time. Customer service representatives will have general information about the FSP merger into the VIP.
**Do I need to do anything?**

You are not required to take any action. Your FSP account will automatically move into the VIP the weekend of October 1, 2011. However, you may want to review your investment elections before the merger to ensure the merged account is invested according to your needs. You may also want to review your beneficiary elections, especially if you have previously designated different beneficiaries in your FSP and VIP accounts.

If you currently have an installment payment from your FSP account, you will be receiving additional communications in the near future.

In addition, if you no longer work for Boeing and will be 70½ by the end of the year, a minimum distribution is required from your FSP account and will be processed before the plan merger. See the following questions for more information.

**Will I need to designate a new beneficiary once my FSP account balance is transferred into the VIP?**

You may, depending on your situation. Below are the situations requiring you to designate a beneficiary:

- If you do not already have a beneficiary designated for your FSP account and you do not have a VIP account.
- If you have an account in both plans and you do not have a beneficiary designated for either plan.
- If you have an account in both plans and you have a different beneficiary designated for both accounts, your current VIP beneficiaries will continue to be your beneficiaries for your VIP account, including the merged FSP funds. If this does not follow your wishes, you will need to change your beneficiary designation. For more information, see the Helpful Hints guide at the end of the Beneficiary Designation form in the Forms section of Boeing Savings Plans Online.

If you need to designate or change your beneficiary, you may do this online in your VIP at any time. After logging onto Boeing Savings Plans Online, click Boeing Company VIP from the Home page, and then click “Beneficiary Information” from the “Personal Information” drop-down menu in the top menu bar. To add or change a beneficiary, click “Add/Edit Beneficiary” from the menu on the left and follow the prompts.

You may also print a Beneficiary Designation form from the Forms section of your VIP account in Boeing Savings Plans Online, or request a form from the Boeing Savings Service Center.

If you are married, you must designate your spouse as your beneficiary. However, you may designate someone other than, or in addition to, your spouse as your primary beneficiary if you obtain your spouse’s written consent. Federal law requires your spouse’s notarized consent on the Beneficiary Designation form; otherwise, your spouse will be the sole primary beneficiary of your account.

It is very important to designate a beneficiary to ensure your wishes are followed in the event of your death.

**If I am over 70½ and separated from service, am I required to have the minimum distribution processed from my FSP account?**

Yes, because this is a requirement for each qualified retirement plan, the minimum distribution from the FSP must be paid before the merger to the VIP. If you have not processed a qualifying withdrawal by September 16, a minimum distribution will be processed automatically at that time.

**What if I do not already have a VIP account?**

If you do not have a VIP account, an account will be set up for you. Please make sure that your beneficiary designation is up to date, according to your wishes. See the beneficiary designation instructions above.

**Will I receive a participant statement of my merged FSP balance?**

Yes. You will receive a final participant statement from the FSP account shortly after the plan merger showing your final FSP account balance that has been merged to the VIP. The December 31, 2011, annual VIP account statement will show the merged balance as an addition to your VIP account.
You may also print a statement of your FSP account before September 28, 2011, at Boeing Savings Plans Online. Account information up to the last 24 months is available. FSP account history will not transfer to your VIP account after your FSP account is converted into the VIP. To print your FSP account statement online, after you are in your account, click “Statement” at the “My Account” page. You may specify a time period up to the last 24 months, or one of the other options listed on the page. Follow the remaining prompts to display and print your statement.

**Will I be able to borrow or take an in-service withdrawal from my FSP account balance?**

No. Your FSP funds will be maintained in a separate source within your VIP account and cannot be accessed while you are an active employee unless you are over age 59 ½, except through sick leave withdrawals. However, if you request a loan from the funds in your other VIP sources, your FSP funds will be used in determining the maximum loan amount available to you.

**Will the FSP funds still be available for sick leave withdrawals?**

Yes, the FSP funds merged into your VIP account will retain the rights and features that existed in the FSP. This includes the ability to access these funds as sick leave withdrawals, once all other sick leave hours have been exhausted. The provisions and procedures for processing those sick leave withdrawals will remain the same; you will just be accessing those funds through your VIP account in the future.

**Will FSP contributions continue for eligible employees?**

If you are in a union that is currently eligible for FSP contributions, then your contributions will be calculated and made in the same manner as they previously have been. Going forward, those contributions will simply be posted to the FSP source within the VIP.

**Note:** Going forward, your FSP funds in the VIP will be held in an FSP Sick Leave Account.

**For More Information**

Contact the Boeing Savings Service Center through Boeing TotalAccess for the FSP and VIP:

- **On the Boeing Web:** Log on to my.boeing.com and click the TotalAccess tab.
- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMSID number and your Boeing TotalAccess password.
- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-866-628-5803. You must have your BEMSID number and your Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press the zero key to be transferred to a customer service representative. Service representatives are available weekdays between 8 a.m. and 8 p.m. Central time.

**Plan Amendment Information**

This *Update* is a summary of material modifications to your summary plan descriptions for the following Company benefit plans:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- The Boeing Company Employee Financial Security Plan (Plan 003)

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended.

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and the Plan documents listed above, the terms of the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the VIP and to merge the FSP into the VIP as described in this *Update*, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, their dependents, and beneficiaries.
Summary of Benefit Plan Changes

The eXMeritus Software Federal Systems, Inc. 401k Plan Will Merge Into The Boeing Company Voluntary Investment Plan

This Update summarizes plan changes that affect your retirement plans and updates your summary plan descriptions. The effective date of the changes is September 15, 2011, unless otherwise noted.

The changes apply to you if you have an account in the eXMeritus Software Federal Systems, Inc. 401k Plan (eXMeritus Plan).

This Update is for your information and is being provided to you as required by Federal law. **Action may be required on your part.**

Effective September 15, 2011, your account in the eXMeritus Plan will merge into The Boeing Company Voluntary Investment Plan (VIP). The investment funds in your eXMeritus Plan account will be sold, and the proceeds will be mapped to one of the five VIP lifecycle funds as shown below, except for funds invested in the Fidelity Retirement Money Market Portfolio, which will be mapped to the VIP Stable Value Fund (see “Important notice” on page 2). Subject to the “Important notice” on page 2, your eXMeritus Plan account will be invested in the applicable lifecycle fund that has an associated date closest to your expected retirement year. Lifecycle fund fact sheets and the VIP Stable Value Fund fact sheet are also enclosed with this summary. The following chart displays the lifecycle fund that your eXMeritus Plan account will map to on September 15, 2011:

<table>
<thead>
<tr>
<th>Birth Date Range</th>
<th>How Your eXMeritus Plan Account Will Be Invested in the VIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you were born 12/31/1950 or before</td>
<td>Your eXMeritus Plan account will be invested in the Lifecycle Retirement Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1951 through 12/31/1960</td>
<td>Your eXMeritus Plan account will be invested in the Lifecycle 2020 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1961 through 12/31/1970</td>
<td>Your eXMeritus Plan account will be invested in the Lifecycle 2030 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1971 through 12/31/1980</td>
<td>Your eXMeritus Plan account will be invested in the Lifecycle 2040 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1981 or after</td>
<td>Your eXMeritus Plan account will be invested in the Lifecycle 2050 Fund</td>
</tr>
</tbody>
</table>
Important notice:

If you do not want your eXMeritus Plan account, or a portion thereof, to be invested in one of the VIP lifecycle funds, you may transfer your eXMeritus Plan account, or a portion thereof, into the Fidelity Retirement Money Market Portfolio (Fidelity fund code 0630) before 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on September 14, 2011. All funds invested in the Fidelity Retirement Money Market Portfolio as of 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on September 14, 2011, will be invested in the VIP Stable Value Fund. The Fidelity Retirement Money Market Portfolio is the only eXMeritus Plan fund that will not be invested in a lifecycle fund when assets transfer from Fidelity to ING.

Special notes:

- The Boeing Company (Company) does not underwrite, warrant, guarantee, or in any way ensure the performance of any investment option available through the Plans.

- All funds have a short-term redemption fee of 1.5 percent applied to the proceeds value of units sold on all sale transactions that occur 15 or fewer calendar days from the date the units are purchased (excluding contributions, loan repayments, or rollover contributions). This fee will not apply to amounts initially merged into the VIP from the eXMeritus Plan. You may transfer initially merged funds without incurring the short-term redemption fee.

Restrictions and Limitations to Service During the Blackout Period, September 12 Through September 26, 2011

ING, the recordkeeper of the VIP, is working closely with the Company to ensure that the transition from the eXMeritus Plan to the VIP occurs with minimal disruption in service. To this end, transactions in the eXMeritus Plan will be restricted according to the schedule below from 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on September 12 through 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on September 26. This blackout period will affect only the amounts merged into the VIP from the eXMeritus Plan. If you are currently participating in the VIP, this restriction will not affect access to your current VIP account.

This blackout period will ensure the efficient transfer of records to ING and transition of funds into one of the VIP funds as discussed on the previous page. Because this service interruption is unavoidable, please plan ahead. See the attached Update, “Important Notice Concerning Your Rights Under the eXMeritus Software Federal Systems, Inc. 401k Plan,” which more fully describes the blackout period during which transactions will be restricted.

For more information, see the schedule of key dates below and an explanation about transaction restrictions during the blackout period.

If you do not have a current VIP account, you should receive a Boeing TotalAccess password, which you must use to access your VIP account. Please see “Frequently Asked Questions,” beginning on page 3.
2011 Key Dates

For the eXMeritus Plan

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 12, 2011 (up to market close)</td>
<td>Update contributions and loan repayments</td>
</tr>
<tr>
<td>September 12, 2011 (up to market close)</td>
<td>Process distributions and loans from the plan</td>
</tr>
<tr>
<td>September 14, 2011 (up to market close)</td>
<td>Make a fund transfer, change investment elections, phone services cease for the plan</td>
</tr>
<tr>
<td>September 14, 2011 (up to market close)</td>
<td>Add new participants, and change existing participant information such as address, last name, and so forth</td>
</tr>
</tbody>
</table>

For the VIP

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2011</td>
<td>New participants who do not have a current VIP account will receive VIP information and a Boeing TotalAccess password under separate cover</td>
</tr>
<tr>
<td>September 15, 2011</td>
<td>Your eXMeritus Plan account will merge into the VIP</td>
</tr>
<tr>
<td>September 26, 2011 (9 a.m. Eastern time; 8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time)</td>
<td>Your transferred eXMeritus Plan account balances will be available for transactions in the VIP</td>
</tr>
</tbody>
</table>

Frequently Asked Questions

What if I have a question about my eXMeritus Plan account?

Before September 15, contact Fidelity Management Trust Company (Fidelity) at 1-800-835-5097 Monday through Friday (except stock market holidays) 8:30 a.m. to 8:30 p.m. Eastern time (7:30 a.m. to 7:30 p.m. Central time; 6:30 a.m. to 6:30 p.m. Mountain time; 5:30 a.m. to 5:30 p.m. Pacific time) for general account information. You will need your customer ID (or Social Security number) and eXMeritus Plan personal identification number (PIN) for the telephone system. You may access your eXMeritus Plan account online at www.401k.com.

Beginning September 26 at 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time), call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-800-755-6363) and follow the directions under “For More Information” on page 5. Boeing Savings Service Center representatives are available to assist you Monday through Friday from 9 a.m. to 9 p.m. Eastern time (8 a.m. to 8 p.m. Central time; 7 a.m. to 7 p.m. Mountain time; 6 a.m. to 6 p.m. Pacific time).

During the blackout period, representatives will be able to provide general information about the VIP, but they will not be able to answer specific questions about your transferred EXMeritus Plan account information until your account is available on September 26, 2011.

Will I be able to use my current eXMeritus Plan PIN for my VIP?

No. Your current PIN will not transfer to the VIP. To access your VIP account, you will need to use your Boeing TotalAccess password. If you do not have a Boeing TotalAccess password, call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-800-755-6363) and follow the prompts. A password reminder will be mailed to your address of record.
Will I receive a statement of my converted balance?

Yes. You will receive a final eXMeritus Plan statement from Fidelity in September. This statement will show activity from January 1, 2011, through September 14, 2011.

Will I need to complete a new Beneficiary Designation form?

Yes, if you currently do not have a VIP account. It is very important that you make sure to designate a beneficiary to ensure your wishes are followed in the event of your death. If you currently have a VIP account, your VIP beneficiary will also apply to your newly merged funds from the eXMeritus Plan. If you have a VIP account but have not designated a beneficiary yet, follow the information below to designate a beneficiary.

Online—From work, log on to my.boeing.com and click the TotalAccess tab. From the menu on the left, click My Savings & Pension, click Retirement Savings Plans, and then click Boeing Savings Plans Online. If you are not at a Boeing location, log on to www.boeing.com/express using your BEMSID number and Boeing TotalAccess password. Once logged onto your savings plan account, click Go To My Account (if you have multiple Boeing Plan accounts, you first need to click Boeing Company VIP), click Personal Information, then click Beneficiary Information to add or change your beneficiary designation.

By telephone—Call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-800-755-6363) and follow the prompts. If you are calling from a rotary phone, stay on the line and a Boeing Savings Service Center representative will assist you. You must have your BEMSID number and Boeing TotalAccess password when you call. Once connected to your savings plan account, press the zero key to speak with a Boeing Savings Service Center representative during business hours to make your beneficiary designation. Representatives are available 9 a.m. to 9 p.m. Eastern time, Monday through Friday except for stock market holidays.

You also can print the Beneficiary Designation form from the Boeing Savings Plans Online website. See below for more details about accessing your VIP account online.

Will I be able to access my new VIP account on the Web?

Yes, beginning at 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on September 26, 2011. To access your VIP account online from Boeing locations, log on to my.boeing.com on the Boeing Web, click the TotalAccess tab, then click the My Savings & Pension tab.

On the World Wide Web, log on to www.boeing.com/express. To access your VIP account, you will need to enter your BEMSID number and your Boeing TotalAccess password.

When will the blackout period begin?

The blackout period will begin on September 12, 2011, when the restrictions and limitations described on page 2 begin. The transition of eXMeritus Plan records to the VIP will begin on September 15. Certain account transactions in your eXMeritus Plan account will not be allowed beginning 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on September 12, 2011. Please refer to the Key Dates section on page 2. Remember, the blackout period will not affect access to your current VIP account. You will have full access to your eXMeritus Plan balance in the VIP as of 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on September 26, 2011.

Where can I find more information regarding the VIP investment options before September 26, 2011?

You can find VIP fund information on the Boeing Benefits and Compensation website (www.boeing.com/benefits/). Click Nonunion Employees, click Savings Plans, click Fund Fact Sheets, and then click Voluntary Investment Plan, which will provide you with a list of all the funds available in the VIP.
After the merger, will my account balance transferred from the eXMeritus Plan have different features than my current VIP account?

No, your account balance transferred to the VIP will have the same Plan features as your current VIP account.

I am a terminated participant with an account balance in the eXMeritus Plan and have never participated in the VIP. How will I access my eXMeritus Plan account after the merger to the VIP?

If you terminated your employment before becoming eligible to participate in the VIP, you may not have received a Boeing TotalAccess password. You will be mailed a Boeing TotalAccess password to your address on record. See “For More Information,” below.

As a terminated participant, how long will I be able to leave my account balance in the VIP?

If your account balance is more than $1,000, you will be able to leave your account in the VIP until age 70½, when required minimum distributions must begin.

For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- On the Boeing Web: Log on to my.boeing.com and click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- On the World Wide Web: Log on to www.boeing.com/express using your BEMSID number and your Boeing TotalAccess password. Click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions. You may also log on to https://my-ext.boeing.com. Click the TotalAccess tab.

- By telephone: Call Boeing TotalAccess at 1-866-473-2016. You must have your BEMSID number and Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak with the savings department.” Once you have been transferred to the Boeing Savings Service Center, press zero to be transferred to a customer service associate. Hearing-impaired callers with a telephone typewriter can access TTY/TDD services at 1-800-755-6363. Service Center associates are available weekdays between 8 a.m. and 8 p.m. Central time.

Plan Amendment Information

This Update is a summary of material modifications to your summary plan descriptions for the following benefit plans:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- eXMeritus Software Federal Systems, Inc. 401k Plan

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended. Every effort has been made to provide accurate information in this Update. In the event of a conflict between this Update and the Plan documents listed above, the terms of the Plan documents will control. Copies of the VIP summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the VIP described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes

The Global Aeronautica, LLC 401(k) Plan Will Merge Into The Boeing Company Voluntary Investment Plan

This Update summarizes plan changes that affect your retirement plans and updates your summary plan descriptions. The effective date of the changes is September 15, 2011, unless otherwise noted.

The changes apply to you if you have an account in the Global Aeronautica, LLC 401(k) Plan (Global Aeronautica Plan).

This Update is for your information and is being provided to you as required by Federal law. **Action may be required on your part.**

Effective September 15, 2011, your account in the Global Aeronautica Plan will merge into The Boeing Company Voluntary Investment Plan (VIP). The investment funds in your Global Aeronautica Plan account will be sold, and the proceeds will be mapped to one of the five VIP lifecycle funds as shown below, except for funds invested in the Fixed Account investment option, which will be mapped to the VIP Stable Value Fund (see “**Important notice**” on page 2). Subject to the “**Important notice**” on page 2, your Global Aeronautica Plan account will be invested in the applicable lifecycle fund that has an associated date closest to your expected retirement year. Lifecycle fund fact sheets and the VIP Stable Value Fund fact sheet are also enclosed with this summary. The following chart displays the lifecycle fund that your Global Aeronautica Plan account will map to on September 15, 2011:

<table>
<thead>
<tr>
<th>Birth Date Range</th>
<th>How Your Global Aeronautica Plan Account Will Be Invested in the VIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you were born 12/31/1950 or before</td>
<td>Your Global Aeronautica Plan account will be invested in the Lifecycle Retirement Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1951 through 12/31/1960</td>
<td>Your Global Aeronautica Plan account will be invested in the Lifecycle 2020 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1961 through 12/31/1970</td>
<td>Your Global Aeronautica Plan account will be invested in the Lifecycle 2030 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1971 through 12/31/1980</td>
<td>Your Global Aeronautica Plan account will be invested in the Lifecycle 2040 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1981 or after</td>
<td>Your Global Aeronautica Plan account will be invested in the Lifecycle 2050 Fund</td>
</tr>
</tbody>
</table>
Important notice:

If you do not want your Global Aeronautica Plan account, or a portion thereof, to be invested in one of the VIP lifecycle funds, you may transfer your Global Aeronautica Plan account, or a portion thereof, into the Fixed Account before 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on September 7, 2011. All funds invested in the Fixed Account as of 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on September 7, 2011, will be invested in the VIP Stable Value Fund. The Fixed Account is the only Global Aeronautica Plan fund that will not be invested in a lifecycle fund when assets transfer from The Hartford to ING.

Special notes:

- The Boeing Company (Company) does not underwrite, warrant, guarantee, or in any way ensure the performance of any investment option available through the Plans.

- All funds have a short-term redemption fee of 1.5 percent applied to the proceeds value of units sold on all sale transactions that occur 15 or fewer calendar days from the date the units are purchased (excluding contributions, loan repayments, or rollover contributions). This fee will not apply to amounts initially merged into the VIP from the Global Aeronautica Plan. You may transfer initially merged funds without incurring the short-term redemption fee.

Restrictions and Limitations to Service During the Blackout Period, September 7 Through September 26, 2011

ING, the recordkeeper of the VIP, is working closely with the Company to ensure that the transition from the Global Aeronautica Plan to the VIP occurs with minimal disruption in service. To this end, transactions in the Global Aeronautica Plan will be restricted according to the schedule on page 3 from 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on September 7 through 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on September 26. This blackout period will affect only the amounts merged into the VIP from the Global Aeronautica Plan. If you are currently participating in the VIP, this restriction will not affect access to your current VIP account.

This blackout period will ensure the efficient transfer of records to ING and transition of funds into one of the VIP funds as discussed on the previous page. Because this service interruption is unavoidable, please plan ahead. See the attached Update, “Important Notice Concerning Your Rights Under the Global Aeronautica, LLC 401(k) Plan,” which more fully describes the blackout period during which transactions will be restricted.

For more information, see the schedule of key dates on page 3 and an explanation about transaction restrictions during the blackout period.

If you do not have a current VIP account, you should receive a Boeing TotalAccess password, which you must use to access your VIP account. Please see “Frequently Asked Questions,” beginning on page 3.
2011 Key Dates

For the Global Aeronautica Plan

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 7, 2011 (up to market close)</td>
<td>All transactions including loan repayments, new distributions or loans, fund transfers, changing participant information such as address, last name, and so forth</td>
</tr>
</tbody>
</table>

For the VIP

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2011</td>
<td>New participants who do not have a current VIP account will receive VIP information and a Boeing TotalAccess password under separate cover</td>
</tr>
<tr>
<td>September 15, 2011</td>
<td>Your Global Aeronautica Plan account will merge into the VIP</td>
</tr>
<tr>
<td>September 26, 2011 (9 a.m. Eastern time; 8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time)</td>
<td>Your transferred Global Aeronautica Plan account balances will be available for transactions in the VIP</td>
</tr>
</tbody>
</table>

Frequently Asked Questions

What if I have a question about my Global Aeronautica Plan account?

Before September 15, contact The Hartford at 1-800-854-0647 for general account information and to change your investment options. The Hartford’s automated phone system is available 24 hours a day, and Hartford Service Specialists are available to assist you Monday through Friday from 8 a.m. to 8 p.m. Eastern time. You may access your Global Aeronautica Plan account online at www.thehartford.com/retirementplans/access. You will need your Global Aeronautica Plan personal identification number (PIN) to access your account. If you do not know your PIN, you may call the Hartford’s Service Specialists for assistance.

Beginning September 26 at 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time), call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-800-755-6363) and follow the directions under “For More Information,” on page 5. Boeing Savings Service Center representatives are available to assist you Monday through Friday from 9 a.m. to 9 p.m. Eastern time (8 a.m. to 8 p.m. Central time; 7 a.m. to 7 p.m. Mountain time; 6 a.m. to 6 p.m. Pacific time). During the blackout period, representatives will be able to provide general information about the VIP, but they will not be able to answer specific questions about your transferred Global Aeronautica Plan account information until your account is available on September 26, 2011.

Will I be able to use my current Global Aeronautica Plan PIN for my VIP?

No. Your current PIN will not transfer to the VIP. To access your VIP account, you will need to use your Boeing TotalAccess password. If you do not have a Boeing TotalAccess password, call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-800-755-6363) and follow the prompts. A password reminder will be mailed to your address of record.

Will I receive a statement of my converted balance?

Yes. You will receive a final Global Aeronautica Plan statement from The Hartford in October. This statement will show activity from January 1, 2011, through September 30, 2011.
Benefits Information (continued)

Will I need to complete a new Beneficiary Designation form?

Yes, if you currently do not have a VIP account. It is very important that you make sure to designate a beneficiary to ensure your wishes are followed in the event of your death. If you currently have a VIP account, your VIP beneficiary will also apply to your newly merged funds from the Global Aeronautica Plan. If you have a VIP account but have not designated a beneficiary yet, follow the information below to designate a beneficiary.

**Online**—From work, log on to [my.boeing.com](http://my.boeing.com) and click the TotalAccess tab. From the menu on the left, click My Savings & Pension, click Retirement Savings Plans, and then click Boeing Savings Plans Online. If you are not at a Boeing location, log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMSID number and Boeing TotalAccess password. Once logged onto your savings plan account, click Go To My Account (if you have multiple Boeing Plan accounts, you first need to click Boeing Company VIP), click Personal Information, then click Beneficiary Information to add or change your beneficiary designation.

**By telephone**—Call Boeing TotalAccess at [1-866-473-2016](tel:1-866-473-2016) (TTY/TDD services are available at [1-800-755-6363](tel:1-800-755-6363)) and follow the prompts. If you are calling from a rotary phone, stay on the line and a Boeing Savings Service Center representative will assist you. You must have your BEMSID number and Boeing TotalAccess password when you call. Once connected to your savings plan account, press the zero key to speak with a Boeing Savings Service Center representative during business hours to make your beneficiary designation. Representatives are available 9 a.m. to 9 p.m. Eastern time, Monday through Friday except for stock market holidays.

You also can print the Beneficiary Designation form from the Boeing Savings Plans Online website. See below for more details about accessing your VIP account online.

Will I be able to access my new VIP account on the Web?

Yes, beginning at 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on September 26, 2011. To access your VIP account online from Boeing locations, log on to [my.boeing.com](http://my.boeing.com) on the Boeing Web, click the TotalAccess tab, then click the My Savings & Pension tab.

On the World Wide Web, log on to [www.boeing.com/express](http://www.boeing.com/express). To access your VIP account, you will need to enter your BEMSID number and your Boeing TotalAccess password.

When will the blackout period begin?

The blackout period will begin on September 7, 2011, when the restrictions and limitations described on page 2 begin. The transition of Global Aeronautica Plan records to the VIP will begin on September 15. **All account transactions in your Global Aeronautica Plan account will not be allowed beginning 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on September 7, 2011.**

Please refer to the Key Dates section on page 3. Remember, the blackout period will not affect access to your current VIP account. You will have full access to your Global Aeronautica Plan balance in the VIP as of 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on September 26, 2011.

Where can I find more information regarding the VIP investment options before September 26, 2011?

You can find VIP fund information on the Boeing Benefits and Compensation website ([www.boeing.com/benefits](http://www.boeing.com/benefits/)). Click Nonunion Employees, click Savings Plans, click Fund Fact Sheets, and then click Voluntary Investment Plan, which will provide you with a list of all the funds available in the VIP.
After the merger, will my account balance transferred from the Global Aeronautica Plan have different features than my current VIP account?

No, your account balance transferred to the VIP will have the same Plan features as your current VIP account.

I am a terminated participant with an account balance in the Global Aeronautica Plan and have never participated in the VIP. How will I access my Global Aeronautica Plan account after the merger to the VIP?

If you terminated your employment before becoming eligible to participate in the VIP, you may not have received a Boeing TotalAccess password. You will be mailed a Boeing TotalAccess password to your address on record. See “For More Information,” below.

As a terminated participant, how long will I be able to leave my account balance in the VIP?

If your account balance is more than $1,000, you will be able to leave your account in the VIP until age 70½, when required minimum distributions must begin.

For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [my.boeing.com](http://my.boeing.com) and click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMSID number and your Boeing TotalAccess password. Click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions. You may also log on to [https://my-ext.boeing.com](https://my-ext.boeing.com). Click the TotalAccess tab.

- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. You must have your BEMSID number and Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak with the savings department.” Once you have been transferred to the Boeing Savings Service Center, press zero to be transferred to a customer service associate. Hearing-impaired callers with a telephone typewriter can access TTY/TDD services at 1-800-755-6363. Service Center associates are available weekdays between 8 a.m. and 8 p.m. Central time.

Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan descriptions for the following benefit plans:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- Global Aeronautica, LLC 401(k) Plan

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended. Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and the Plan documents listed above, the terms of the Plan documents will control. Copies of the VIP summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the VIP described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Savings Plan Changes

Employees Represented by SPEEA WEU

This Update summarizes a change that affects your savings plan and updates your summary plan description effective December 1, 2011.

The change in this Update will apply to you if you are an employee represented by the Society of Professional Engineering Employees in Aerospace (SPEEA) and are a Wichita Engineering Unit (WEU) employee.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The change in this Update applies to The Boeing Company Voluntary Investment Plan (VIP) (Plan 002).

Employer Matching Contributions to Be Made in Boeing Stock

Beginning with your December 8, 2011, paycheck, you will begin receiving your employer matching contributions in the form of Boeing Stock Fund units. These units will be contributed and posted to your VIP account in the Boeing Stock Fund each payday and can be viewed online the following day. The value of employer matching contributions that you are entitled to receive has not changed; a number of Boeing Stock Fund units equal to the value you would otherwise have received as cash will be made to your VIP account. The number of Boeing Stock Fund units posted to your VIP account will be based upon the dollar amount of the employer matching contribution, divided by the Boeing Stock Fund’s unit value as of the market close each payday.

Transfers To/From Boeing Stock Fund

There will be no change in the ability to process transfers, including into or out of the Boeing Stock Fund, at any time. Subject to insider trading rules, you may, at any time after the contributions have been posted, elect to transfer an amount equivalent to your employer matching contribution to another investment option available to you under the VIP without incurring redemption fees. In addition, any other amounts that you have invested in the Boeing Stock Fund that have remained in the fund for more than 15 days may be transferred out of the fund without incurring redemption fees. However, any amounts transferred into the Boeing Stock Fund from other funds in the VIP within the 15 days before your transfer request will continue to be subject to normal redemption fees.

Fund transfers made before 4 p.m. Eastern time on a day that the New York Stock Exchange (NYSE) is open will be effective the same day. Fund transfers made on or after 4 p.m. Eastern time or on a day that the NYSE is closed will be effective on the next day the NYSE is open.

Insider Trading Rules

Insider trading rules apply to transferring funds into or out of the Boeing Stock Fund. This means that you cannot transfer funds into or out of the Boeing Stock Fund if you are aware of material nonpublic information about the Company. See PRO-12, “Buying and Selling Securities - Insider Trading.” This includes participating in the automatic rebalancing feature of the VIP.

Employees who are eligible to receive the Boeing Stock match need to take the Insider Trading Course (TR007835) to help ensure they understand the rules to protect against insider trading.
For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to [https://my.boeing.com](https://my.boeing.com) and click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMSID number and your Boeing TotalAccess password. Click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **By telephone:** Call Boeing TotalAccess at **1-866-473-2016**. TTY/TDD services are available at **1-800-755-6363**. You must have your BEMSID number and your Boeing TotalAccess password available when you call. When the system asks “How may I help you today?” say “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service associate. Service Center associates are available weekdays between 8 a.m. and 8 p.m. Central time.

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**Plan Amendment Information**

This *Update* is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and The Boeing Company Voluntary Investment Plan document, the terms of The Boeing Company Voluntary Investment Plan document will control. Copies of the summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plan described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Savings Plan Changes

Certain Participants in the VIP

This Update describes the automatic rate escalator feature that applies to all nonunion and certain union employees hired or rehired on or after January 1, 2012.

This Update summarizes plan changes that affect the Voluntary Investment Plan (Plan 002) (VIP) and updates your summary plan description. The effective date of the change is January 1, 2012, unless otherwise noted.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

VIP Automatic Rate Escalator

If you are a nonunion employee or a union employee whose union has agreed to the automatic rate escalator feature, and you are hired or rehired on or after January 1, 2012, the automatic rate escalator will apply to you.

If you are a newly hired or rehired eligible employee, you will be enrolled automatically in the VIP at a pretax contribution rate of 4 percent of your base pay. These pretax contributions will be deducted automatically from your paycheck approximately 60 calendar days after you become eligible to participate in the VIP unless you make an active election to enroll at a different contribution rate or elect to not enroll at all.

If you do not elect to change your contribution rate, the VIP will automatically increase your pretax contribution rate by 1 percent of your base pay on April 1 of the following year. Your pretax contribution rate will be automatically escalated by 1 percent annually each April 1 thereafter until your rate reaches 8 percent of your base pay as long as you do not elect to change, stop, or increase your contribution percentage before the next April 1. You will receive a confirmation statement shortly before your contribution percentage is automatically increased. Your increase will take effect within one to two pay periods following April 1.

For example, if you are hired on August 16, 2012, and you have not actively enrolled, you will be automatically enrolled in the VIP on October 15, 2012 (which is 60 calendar days following your eligibility date), at which time salary deductions will begin being made from your paycheck at a pretax contribution rate of 4 percent of your base pay. If you choose to make no changes to your pretax contribution rate, your contribution percentage rate will automatically increase by 1 percent one to two pay periods following April 1, 2013 (to 5 percent).

You are eligible to enroll in the VIP as of your hire date. The VIP allows you to contribute up to 25 percent of your base pay on a pretax or aftertax basis or a combination of both (combined cannot exceed 25 percent). If you are eligible for an employer matching contribution, you are encouraged to increase your pretax contribution rate and elect a contribution percentage that will provide you with the maximum matching contribution as soon as you are eligible to participate in the VIP. Once you actively enroll in the VIP or make an election change, the automatic escalation feature will no longer apply to you.

More information is provided in the VIP Enrollment Kit about the automatic contribution rate escalator if it applies to you, the automatic enrollment feature, how to enroll and make election changes, and the amount of company matching contributions you may be eligible to receive.
For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to my.boeing.com and click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMSID and your Boeing TotalAccess password. Click the TotalAccess tab. In the top right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

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**Plan Amendment Information**

This Update is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this Update. In the event of a conflict between this Update and The Boeing Company Voluntary Investment Plan document, the terms of The Boeing Company Voluntary Investment Plan document will control. Copies of the summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plan described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Boeing Savings Plans

Enhancements to VIP’s Investment Fund Lineup

This Update describes changes to the investment options in the Voluntary Investment Plan (Plan 002), often referred to as the “VIP,” and updates your summary plan description. The changes are scheduled to become effective on April 23, 2012. This Update is for your information and is being provided to you as required by Federal law.

Changes to Lifecycle Fund Investment Options

Effective April 23, 2012, the VIP will have redesigned lifecycle funds, and the number of lifecycle funds will increase from five to nine.

What This Means to You

The underlying investment strategies in the lifecycle funds have been redesigned to create lifecycle funds that are more customized to the unique financial and demographic characteristics of VIP participants. In addition, you will have more lifecycle funds to choose from with target retirement dates that will be five rather than 10 years apart. This allows you to choose a fund that is a bit more tailored to your retirement timetable.

What You Need to Do

**If you have actively elected a lifecycle fund as an investment in the VIP or if you first became automatically invested in a lifecycle fund before April 23, 2012 because you did not actively choose your investment elections**, your balance and future contributions will be invested in the redesigned lifecycle fund with the same target date that you are invested in now. You do not need to take any action unless you want to change to one of the new five-year increment lifecycle funds because it may be closer to your expected retirement date.

<table>
<thead>
<tr>
<th>Lifecycle Fund</th>
<th>Percentage of equity and fixed income investments in each lifecycle fund*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current Before April 23, 2012</td>
</tr>
<tr>
<td></td>
<td>Equity**</td>
</tr>
<tr>
<td>Retirement</td>
<td>38%</td>
</tr>
<tr>
<td>2020</td>
<td>56%</td>
</tr>
<tr>
<td>2030</td>
<td>71%</td>
</tr>
<tr>
<td>2040</td>
<td>84%</td>
</tr>
<tr>
<td>2050</td>
<td>95%</td>
</tr>
</tbody>
</table>

Because the investment holdings within these funds are constantly changing, and the redesigned lifecycle funds are not in effect yet, the table shows only the approximate percentages as of February 2012 and may not represent the current allocation of the lifecycle funds as of the publication date of this Update.

*Rounded to the nearest whole percentage.

**Includes Commodities and Real Estate Investment Trusts.
If you first became automatically invested in a lifecycle fund on or after April 23, 2012 because you did not actively choose your investment elections, your future contributions will be invested in the new five-year increment lifecycle fund with the target date that is closest to your expected retirement date.

Redemption fee grace period: Normally a 1.5 percent redemption fee would apply to all transfers of money out of the lifecycle funds that have been executed during the 15 full calendar days following a transfer into the fund. However, to accommodate these changes to the lifecycle funds, the 1.5 percent redemption fee (to the extent such fee would have otherwise applied) will be waived for the period from April 23, 2012, through 4 p.m. Eastern time, May 7, 2012.

You are permitted and encouraged to direct your current savings and/or your future contributions in accordance with the terms of the VIP into and among any of its available investment options. To direct or change where your VIP account assets are invested, or for additional information about the VIP and the investment options available, please access your savings plan account through Boeing Savings Plans Online or contact the Boeing Savings Service Center through Boeing TotalAccess. See “Getting More Information” on page 6 for information on accessing your account.

Whether you are currently invested in a lifecycle fund by choice or by default or plan to invest in a lifecycle fund, you should determine whether the redesigned funds remain consistent with your investment goals for your savings plan account. The table on page 1 shows the percentage of equity (stock) and fixed income investment holdings within each of the current lifecycle funds (before April 23, 2012) compared to each of the redesigned lifecycle funds (beginning April 23, 2012). Only the Lifecycle Retirement Fund and the Lifecycle 2020 Fund will have a significant change in the percentage of equity and fixed income investment holdings, resulting in a higher percentage of equity investments and a lower percentage of fixed income investments.

If you are not currently invested in any of the lifecycle funds and consider yourself a “do-it-for-me” type of investor, the lifecycle funds offer you an investment portfolio that is professionally managed based on the targeted date that you expect to begin withdrawing money from the VIP for your retirement. You may want to learn more about the lifecycle funds to determine if one of these funds matches your investment strategy for your savings plan account. Please review the lifecycle fund table below and the enclosed materials to learn more.

### The Redesigned Lifecycle Funds
Lifestyle funds are best used as a single investment because each one is a diversified investment portfolio that is customized with the recommended mix of investments for the target date that you expect to withdraw money from your VIP account for retirement.

<table>
<thead>
<tr>
<th>If you were born…</th>
<th>This lifecycle fund is designed for you</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/1950 or before</td>
<td>Lifecycle Retirement Fund</td>
</tr>
<tr>
<td>1/1/1951 to 12/31/1955</td>
<td>Lifecycle 2015 Fund (New)</td>
</tr>
<tr>
<td>1/1/1956 to 12/31/1960</td>
<td>Lifecycle 2020 Fund</td>
</tr>
<tr>
<td>1/1/1961 to 12/31/1965</td>
<td>Lifecycle 2025 Fund (New)</td>
</tr>
<tr>
<td>1/1/1966 to 12/31/1970</td>
<td>Lifecycle 2030 Fund</td>
</tr>
<tr>
<td>1/1/1971 to 12/31/1975</td>
<td>Lifecycle 2035 Fund (New)</td>
</tr>
<tr>
<td>1/1/1976 to 12/31/1980</td>
<td>Lifecycle 2040 Fund</td>
</tr>
<tr>
<td>1/1/1981 to 12/31/1985</td>
<td>Lifecycle 2045 Fund (New)</td>
</tr>
<tr>
<td>1/1/1986 or later</td>
<td>Lifecycle 2050 Fund</td>
</tr>
</tbody>
</table>

### Example: How the Lifecycle Funds Work
If you were born on or after January 1, 1966, and on or before December 31, 1970, the Lifecycle 2030 Fund may be appropriate for you. That’s because you are in a group of participants who is expected to withdraw money from their VIP accounts in or around the year 2030. Using that time frame, the Lifecycle 2030 Fund manager slowly adjusts the asset allocation between now and the year 2030 so that the fund becomes increasingly more conservative as the target date approaches.

When the lifecycle fund reaches its target date, it will then be merged into the Lifecycle Retirement Fund.
Benefits Information (continued)

Please refer to the enclosed Fund Fact Information sheet for more information about the new lifecycle funds. It includes information on the objective of the lifecycle funds, the risk and return characteristics, and any restrictions on your ability to transfer or direct your money out of the investment. In addition, information about the lifecycle funds’ estimated investment management and plan administration fees and expenses is provided in the Fund Fact Information sheet.

You also can logon to TotalAccess and go to Boeing Savings Plans Online to access all the investment fund descriptions and to use tools for helping you decide which investments are best for your situation. The new Lifecycle 2015, 2025, 2035 and 2045 Fund descriptions will not be available on Boeing Savings Plans Online until April 23, 2012. Until then, please refer to the enclosed Fund Fact Information sheet, which includes a Lifecycle Fund Fee Matrix of estimated fees as of February 2012 based on the latest information available.

Why Were the Lifecycle Funds Customized?

Currently, the lifecycle funds feature a blend of underlying asset classes (or investment types) that are all professionally managed by BlackRock. BlackRock designed each of the current lifecycle funds for the average American saving for retirement in a company savings plan. Although the current lifecycle funds are each a diversified investment portfolio that is managed until the fund’s target date, they are not customized for the Boeing savings plan population.

To create the redesigned customized lifecycle funds, BlackRock analyzed Boeing’s participant demographics, looking specifically at how participants invest their accounts, how much company stock they hold in the VIP, and their potential benefits from the pension plans. The analysis found that, compared to the average American, most VIP participants

- Have saved more in a savings plan,
- Hold company stock,
- Retire earlier, and
- May be eligible to receive (or may already be receiving) payments from a Boeing pension plan.

BlackRock redesigned the lifecycle funds to better align with the unique characteristics of the Boeing VIP participants. Compared to the current lifecycle funds, the redesigned lifecycle funds will have

- More equity investments, especially as VIP participants approach their target date when they expect to begin withdrawing money for retirement,
- A wider range of investments (e.g., commodities, global bonds, international small-cap investments),
- A mix of actively and passively managed options (see the box, “Active Versus Passive Investment Management”),
- Many of Boeing’s “best in class” VIP investment funds and their managers responsible for the underlying investments in the lifecycle funds,
- A more customized level of risk specific to each lifecycle fund’s time frame and in consideration of the fixed payments that participants may receive from their pension plan benefits, and
- Four new lifecycle funds resulting in a total of nine lifecycle funds with target dates in five-year increments. The five-year increments may be more appropriate for you if your retirement date falls between the current 10-year increments.

<table>
<thead>
<tr>
<th>Active Versus Passive Investment Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>The lifecycle funds feature both actively and passively managed investments. Actively managed investments, attempt to outperform a benchmark index, while passively managed investments attempt to match a benchmark.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>If You Are Not Eligible for a Boeing Pension Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>The redesign of the lifecycle funds took into consideration that most participants may be eligible to receive a benefit from a Boeing pension plan. If you are not eligible for a pension benefit and are concerned about the underlying investment allocations made in the lifecycle funds to accommodate the pension benefit, you may want to determine if these funds are appropriate for you.</td>
</tr>
</tbody>
</table>
The VIP Investment Funds

The increase in the number of lifecycle funds offered under the VIP expands your investment options for your savings plan account. You can choose from a wider range of lifecycle funds to find one that better fits the target date that you expect to begin withdrawing money from your account for retirement or, if you prefer to manage your own investment portfolio, you can invest in individual funds categorized into either index funds or actively managed funds.

Lifecycle Funds

Each of the nine redesigned lifecycle funds, consisting of five current and four new funds, is designed as a complete investment solution offering a broadly diversified portfolio. This allows you to choose one lifecycle fund based on the year that you expect to begin withdrawing money from your account for retirement. See the Fund Fact Information sheet included with this Update for a summary.

Index Funds

Index funds are passively managed, lower cost funds (meaning the fund mirrors the allocation of a benchmark index) that seek to match as closely as possible the performance of specific indexes.

- Bond Market Index Fund
- Balanced Index Fund
- S&P 500 Index Fund
- International Index Fund
- Russell 2000 Index Fund

Actively Managed Funds

Actively managed funds rely on the expertise of fund managers to select and trade individual securities actively within the funds in an effort to beat certain target performance benchmarks.

- Stable Value Fund
- Global Bond Fund
- Diversified Real Asset Fund
- U.S. Large Companies Fund
- Global Equity Fund
- International Companies Fund
- U.S. Small/Mid Companies Fund
- Science and Technology Fund

Boeing Stock Fund

The Boeing Stock Fund invests approximately 96 to 99 percent of its assets in shares of Boeing common stock. Like a mutual fund, the fund also keeps a small amount of cash invested in short-term investments to process transfers and withdrawals on a daily basis.
A Few Ideas for Your VIP Account

Investing too conservatively or too aggressively could mean your retirement income and savings won’t keep pace with inflation or may suffer from negative market performance. This could put you at risk for outliving your assets or losing purchasing power as you age. Keep in mind that the lifecycle funds are long-term investments. Day-to-day (or even year-to-year) market fluctuations are more likely to smooth out over the long term.

Are you contributing enough?

If you are already contributing to the VIP, consider increasing your contributions. (Remember, even a small increase makes a difference over time!) How much should you contribute? That depends on your personal situation. However, you should consider contributing at least the amount that gets you the maximum company matching contribution for your retirement savings.

Are you invested in the funds appropriate for meeting your future financial goals?

Taking the time today to be sure you are appropriately invested for building enough retirement income will make a difference tomorrow as you get closer to your retirement date. One of the regrets that many retirees have is not saving early enough or as much as they could have to prepare for retirement. Their advice to people still working is to, “save early, save more and invest wisely for your retirement.”

How do you know if you are on track to save enough for retirement?

Most eligible VIP participants receive objective, personalized Retirement Evaluations of their progress in saving for retirement through the Boeing savings plan from ING Advisor Service.* If you are eligible, you should have received or will be receiving this evaluation shortly. Be sure to look it over as it can be a big help in creating and managing an investment strategy for your savings plan.

*Eligibility for ING Advisor Service is subject to union bargaining. Please refer to your collective bargaining agreement.

The Boeing Company does not underwrite, warrant, guarantee or in any way ensure the performance of any investment option available through the VIP.

The Boeing savings plans (“Plans”) are administered by the Boeing Employee Benefit Plans Committee (the “EBPC”). The EBPC has contracted with ING to offer independent advisory services to the Plans’ participants to assist them in making investment decisions. ING and the investment advisory services provided by ING are completely independent of The Boeing Company and the EBPC. In addition, neither the EBPC nor The Boeing Company endorses the ING Advisor Service and are not responsible for the advice you receive. Participants are solely responsible for determining whether they want to receive the services provided by ING (and pay for the Professional Account Manager service), and ING is solely responsible for advice provided.
Getting More Information

To manage your account, or ask questions, contact the Boeing Savings Service Center through Boeing TotalAccess:

- **On the Boeing Web:** Log on to my.boeing.com and click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMSID and your Boeing TotalAccess password. Click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-866-628-5803. You must have your BEMSID and Boeing TotalAccess password available when you call. When you are asked, “How may I help you today?” say, “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service representative. Service Center representatives can then connect you to an ING Investment Advisor Representative. Service Center and ING Investment Advisor Representatives are available weekdays between 8 a.m. and 8 p.m. Central time (except on stock market holidays).

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Plan Amendment Information

This *Update* is for your information and is being provided to you as required by Federal law and is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002). This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and The Boeing Company Voluntary Investment Plan document, the terms of The Boeing Company Voluntary Investment Plan document will control. Copies of the summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess. Although the Company fully intends to continue the Plan described here, the Company reserves the right to change, modify, amend or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes
The Solutions Made Simple, Inc., 401(k) Profit Sharing Plan Will Merge Into The Boeing Company Voluntary Investment Plan

This Update summarizes plan changes that affect your retirement plans and updates your summary plan descriptions. The effective date of the changes is May 15, 2012, unless otherwise noted.

The changes apply to you if you have an account in the Solutions Made Simple, Inc., 401(k) Profit Sharing Plan (SMSi Plan).

This Update is for your information and is being provided to you as required by Federal law. Action may be required on your part.

Effective May 15, 2012, your account in the SMSi Plan is scheduled to merge into The Boeing Company Voluntary Investment Plan (VIP). The investment funds in your SMSi Plan account will be sold, and the proceeds will be mapped to one of the nine VIP lifecycle funds as shown below, except for funds invested in the Fidelity Money Market investment option, which will be mapped to the VIP Stable Value Fund (see “Important notice” on page 2). Subject to the Important notice on page 2, your SMSi Plan account will be invested in the applicable lifecycle fund that has an associated date closest to your expected retirement year. Lifecycle fund fact sheets and the VIP Stable Value Fund fact sheet are also enclosed with this summary. The following chart displays the lifecycle fund that your SMSi Plan account will map to on the plan merger date:

<table>
<thead>
<tr>
<th>Birth Date Range</th>
<th>How Your SMSi Plan Account Will Be Invested in the VIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you were born 12/31/1950 or before</td>
<td>Your SMSi Plan account will be invested in the Lifecycle Retirement Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1951 through 12/31/1955</td>
<td>Your SMSi Plan account will be invested in the Lifecycle 2015 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1956 through 12/31/1960</td>
<td>Your SMSi Plan account will be invested in the Lifecycle 2020 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1961 through 12/31/1965</td>
<td>Your SMSi Plan account will be invested in the Lifecycle 2025 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1966 through 12/31/1970</td>
<td>Your SMSi Plan account will be invested in the Lifecycle 2030 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1971 through 12/31/1975</td>
<td>Your SMSi Plan account will be invested in the Lifecycle 2035 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1976 through 12/31/1980</td>
<td>Your SMSi Plan account will be invested in the Lifecycle 2040 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1981 through 12/31/1985</td>
<td>Your SMSi Plan account will be invested in the Lifecycle 2045 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1986 or after</td>
<td>Your SMSi Plan account will be invested in the Lifecycle 2050 Fund</td>
</tr>
</tbody>
</table>
Important notice:
If you do not want your SMSi Plan account, or a portion thereof, to be invested in one of the VIP lifecycle funds, you may transfer your SMSi Plan account, or a portion thereof, into the Fidelity Money Market fund before 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on May 7, 2012. All funds invested in the Fidelity Money Market fund as of 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on May 7, 2012, will be invested in the VIP Stable Value Fund. The Fidelity Money Market fund is the only SMSi Plan fund that will not be invested in a lifecycle fund when assets transfer from First Mercantile Trust to ING.

Special notes:
- The Boeing Company (Company) does not underwrite, warrant, guarantee, or in any way ensure the performance of any investment option available through the VIP.
- All funds have a short-term redemption fee of 1.5 percent applied to the proceeds value of units sold on all sale transactions that occur 15 or fewer calendar days from the date the units are purchased (excluding contributions, loan repayments, or rollover contributions). This fee will not apply to amounts initially merged into the VIP from the SMSi Plan. You may transfer initially merged funds without incurring the short-term redemption fee.

Restrictions and Limitations to Service During the Blackout Period, May 7 Through May 25, 2012
ING, the recordkeeper of the VIP, is working closely with the Company to ensure that the transition from the SMSi Plan to the VIP occurs with minimal disruption in service. To this end, transactions in the SMSi Plan are scheduled to be restricted according to the schedule of key dates on page 3 from 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on May 7 through 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on May 25. This blackout period will affect only the amounts merged into the VIP from the SMSi Plan. If you are currently participating in the VIP, this restriction will not affect access to your current VIP account.

This blackout period will ensure the efficient transfer of records to ING and transition of funds into one of the VIP funds as discussed on the previous page. Because this service interruption is unavoidable, please plan ahead. See the attached Update, “Important Notice Concerning Your Rights Under the Solutions Made Simple, Inc., 401(k) Profit Sharing Plan,” which more fully describes the blackout period during which transactions will be restricted.

For more information, see the schedule of key dates on page 3 and an explanation about transaction restrictions during the blackout period.

If you do not have a current VIP account, you should receive a Boeing TotalAccess password, which you must use to access your new VIP account. Please see "Frequently Asked Questions," beginning on page 4.
### 2012 Key Dates

**For the SMSi Plan**

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 7, 2012 (up to market close)</td>
<td>All transactions will be restricted, including new distributions, fund transfers, directing or diversifying investments, changing participant information such as address, last name, and so forth</td>
</tr>
</tbody>
</table>

**For the VIP**

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 2012</td>
<td>New participants who do not have a current VIP account will receive VIP information and a Boeing TotalAccess password under separate cover</td>
</tr>
<tr>
<td>May 15, 2012</td>
<td>Your SMSi Plan account is scheduled to merge into the VIP</td>
</tr>
<tr>
<td>May 25, 2012 (9 a.m. Eastern time; 8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time)</td>
<td>Your transferred SMSi Plan account balances are scheduled to be available for transactions in the VIP</td>
</tr>
</tbody>
</table>
Benefits Information (continued)

Frequently Asked Questions

What if I have a question about my SMSi Plan account?

Before May 15, 2012, you may access your SMSi Plan account online at www.yourinvestmentaccount.com. You will need your SMSi Plan user ID and personal identification number (PIN) to access your account. If you do not know your user ID or PIN, you may call First Mercantile Trust at 1-800-754-9080 and press 2 to speak with a Participant Services representative. You may also access your SMSi Plan account through the automated phone system by calling 1-800-754-9080 and pressing 1. First Mercantile Trust’s automated phone system is available 24 hours a day, and Participant Service representatives are available to assist you Monday through Friday from 8 a.m. to 6 p.m. Eastern time (7 a.m. to 5 p.m. Central time; 6 a.m. to 4 p.m. Mountain time; 5 a.m. to 3 p.m. Pacific time).

Beginning May 25 at 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time), call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803) and follow the directions under “For More Information,” on page 7. Boeing Savings Service Center representatives are available to assist you Monday through Friday from 9 a.m. to 9 p.m. Eastern time (8 a.m. to 8 p.m. Central time; 7 a.m. to 7 p.m. Mountain time; 6 a.m. to 6 p.m. Pacific time). During the blackout period, representatives will be able to provide general information about the VIP, but they will not be able to answer specific questions about your transferred SMSi Plan account information until your account is available for transactions in the VIP (expected to be available on May 25, 2012).

Will I be able to use my current SMSi Plan PIN for my VIP?

No. Your current SMSi Plan PIN will not transfer to the VIP. To access your VIP account, you will need to use your Boeing TotalAccess password. If you do not have a Boeing TotalAccess password, call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803) and follow the prompts. A password reminder will be mailed to your address of record.

Will I receive a statement of my converted balance?

Yes. You will receive a final SMSi Plan statement from First Mercantile Trust in July 2012. This statement will show activity from April 1, 2012, through June 30, 2012.
Will I need to complete a new Beneficiary Designation form?

Yes, you will need to complete a new Beneficiary Designation form if you currently do not have a VIP account. It is very important that you make sure to designate a beneficiary under the VIP to ensure that your wishes are followed with your VIP account in the event of your death. If you currently have a VIP account, your VIP beneficiary will also apply to your newly merged funds from the SMSi Plan. If you have a VIP account but have not designated a beneficiary yet, follow the information below to designate a beneficiary.

**Online**—From work, log on to my.boeing.com and click the TotalAccess tab. From the menu on the left, click My Savings & Pension, click Retirement Savings Plans, and then click Boeing Savings Plans Online. If you are not at a Boeing location, log on to www.boeing.com/express using your BEMSID and Boeing TotalAccess password. Once logged on to your savings plan account, click Go To My Account (if you have multiple Boeing Plan accounts, you first need to click Boeing Company VIP), click Personal Information, then click Beneficiary Information to add or change your beneficiary designation.

**By telephone**—Call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803) and follow the prompts. If you are calling from a rotary phone, stay on the line and a Boeing Savings Service Center representative will assist you. You must have your BEMSID and Boeing TotalAccess password when you call. Once connected to your savings plan account, press the zero key to speak with a Boeing Savings Service Center representative during business hours to make your beneficiary designation. Representatives are available 9 a.m. to 9 p.m. Eastern time (8 a.m. to 8 p.m. Central time; 7 a.m. to 7 p.m. Mountain time; 6 a.m. to 6 p.m. Pacific time), Monday through Friday except for stock market holidays.

You also can print the Beneficiary Designation form from the Boeing Savings Plans Online website. See below for more details about accessing your VIP account online.

Will I be able to access my new VIP account on the Web?

Yes, when your account is available for transfers in the VIP (scheduled to begin at 9 a.m. Eastern time [8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time]) on May 25, 2012. To access your VIP account online from Boeing locations, log on to my.boeing.com on the Boeing Web, click the TotalAccess tab, then click My Savings & Pension.

On the World Wide Web, log on to www.boeing.com/express. To access your VIP account, you will need to enter your BEMSID and your Boeing TotalAccess password.
When will the blackout period begin?
The blackout period is scheduled to begin on May 7, 2012, when the restrictions and limitations described on page 2 begin. The transition of SMSi Plan records to the VIP is scheduled to begin on May 15. All account transactions in your SMSi Plan account will not be allowed beginning 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on May 7, 2012. Please refer to the Key Dates section on page 3. Remember, the blackout period will not affect access to your current VIP account. You will have full access to your SMSi Plan balance in the VIP as of 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on May 25, 2012.

Where can I find more information regarding the VIP investment options before May 25, 2012?
You can find VIP fund information on the Boeing Benefits and Compensation website (www.boeing.com/benefits/). Click Nonunion Employees, click Savings Plans, click Fund Fact Sheets, and then click Voluntary Investment Plan, which will provide you with a list of all the funds available in the VIP.

If I have a current VIP account, will my account balance transferred from the SMSi Plan have different features after the merger than my current VIP account?
No, your account balance transferred to the VIP will have the same Plan features as your current VIP account.

I am a terminated participant with an account balance in the SMSi Plan and have never participated in the VIP. How will I access my SMSi Plan account after the merger to the VIP?
If you terminated your employment before becoming eligible to participate in the VIP, a Boeing TotalAccess password will be mailed to the most recent address that is on record. If you do not receive a Boeing TotalAccess password, you can request a new password from Boeing TotalAccess. See “For More Information” on page 7.

As a terminated participant, how long will I be able to leave my account balance in the VIP?
If your account balance is more than $1,000, you will be able to leave your account in the VIP until age 70½, when required minimum distributions must begin.
For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to *my.boeing.com* and click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to *www.boeing.com/express* using your BEMSID and your Boeing TotalAccess password. Click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **By telephone:** Call Boeing TotalAccess at **1-866-473-2016**. TTY/TDD services are available at 1-866-628-5803. You must have your BEMSID and Boeing TotalAccess password available when you call. When you are asked, “How may I help you today?” say, “I would like to speak with the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service representative. Service Center representatives are available weekdays between 8 a.m. and 8 p.m. Central time.
Plan Amendment Information

This Update is a summary of material modifications to your summary plan descriptions for the following benefit plans:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- Solutions Made Simple, Inc., 401(k) Profit Sharing Plan

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA). Every effort has been made to provide accurate information in this Update. In the event of a conflict between this Update and the Plan documents listed above, the terms of the Plan documents will control. Copies of the VIP summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the VIP described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes
The Boeing Helena, Inc. 401(k) Plan and Trust Will Merge Into The Boeing Company Voluntary Investment Plan

This Update summarizes plan changes that affect your retirement plans and updates your summary plan descriptions. The effective date of the changes is May 15, 2012, unless otherwise noted.

The changes apply to you if you have an account in the Boeing Helena, Inc. 401(k) Plan and Trust (Helena Plan). This Update is for your information and is being provided to you as required by Federal law. **Action may be required on your part.**

Effective May 15, 2012, your account in the Helena Plan is scheduled to merge into The Boeing Company Voluntary Investment Plan (VIP). The investment funds in your Helena Plan account will be sold and the proceeds will be mapped to one of the nine VIP lifecycle funds as shown below, except for funds invested in the Fixed Fund investment option, which will be mapped to the VIP Stable Value Fund (see “Important notice” on page 2).

Subject to the Important notice on page 2, your Helena Plan account will be invested in the applicable lifecycle fund that has an associated date closest to your expected retirement year. Lifecycle fund fact sheets and the VIP Stable Value Fund fact sheet are also enclosed with this summary. The following chart displays the lifecycle fund that your Helena Plan account will map to on the plan merger date:

<table>
<thead>
<tr>
<th>Birth Date Range</th>
<th>How Your Helena Plan Account Will Be Invested in the VIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you were born 12/31/1950 or before</td>
<td>Your Helena Plan account will be invested in the Lifecycle Retirement Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1951 through 12/31/1955</td>
<td>Your Helena Plan account will be invested in the Lifecycle 2015 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1956 through 12/31/1960</td>
<td>Your Helena Plan account will be invested in the Lifecycle 2020 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1961 through 12/31/1965</td>
<td>Your Helena Plan account will be invested in the Lifecycle 2025 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1966 through 12/31/1970</td>
<td>Your Helena Plan account will be invested in the Lifecycle 2030 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1971 through 12/31/1975</td>
<td>Your Helena Plan account will be invested in the Lifecycle 2035 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1976 through 12/31/1980</td>
<td>Your Helena Plan account will be invested in the Lifecycle 2040 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1981 through 12/31/1985</td>
<td>Your Helena Plan account will be invested in the Lifecycle 2045 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1986 or after</td>
<td>Your Helena Plan account will be invested in the Lifecycle 2050 Fund</td>
</tr>
</tbody>
</table>
**Important notice:**

If you do not want your Helena Plan account, or a portion thereof, to be invested in one of the VIP lifecycle funds, you may transfer your Helena Plan account, or a portion thereof, into the Fixed Fund before 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on May 7, 2012. All funds invested in the Fixed Fund as of 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on May 7, 2012, will be invested in the VIP Stable Value Fund. The Fixed Fund is the only Helena Plan fund that will not be invested in a lifecycle fund when assets transfer from The Hartford to ING.

**Special notes:**

- The Boeing Company (Company) does not underwrite, warrant, guarantee, or in any way ensure the performance of any investment option available through the VIP.
- All funds have a short-term redemption fee of 1.5 percent applied to the proceeds value of units sold on all sale transactions that occur 15 or fewer calendar days from the date the units are purchased (excluding contributions, loan repayments, or rollover contributions). This fee will not apply to amounts initially merged into the VIP from the Helena Plan. You may transfer initially merged funds without incurring the short-term redemption fee.

**Restrictions and Limitations to Service During the Blackout Period, May 7 Through May 25, 2012**

ING, the recordkeeper of the VIP, is working closely with the Company to ensure that the transition from the Helena Plan to the VIP occurs with minimal disruption in service. To this end, transactions in the Helena Plan are scheduled to be restricted according to the schedule of key dates on page 3 from 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on May 7 through 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on May 25. This blackout period will affect only the amounts merged into the VIP from the Helena Plan. If you are currently participating in the VIP, this restriction will not affect access to your current VIP account.

This blackout period will ensure the efficient transfer of records to ING and transition of funds into one of the VIP funds as discussed on the previous page. **Because this service interruption is unavoidable, please plan ahead.** See the attached *Update*, “Important Notice Concerning Your Rights Under the Boeing Helena, Inc. 401(k) Plan and Trust,” which more fully describes the blackout period during which transactions will be restricted.

For more information, see the schedule of key dates on page 3 and an explanation about transaction restrictions during the blackout period.

If you do not have a current VIP account, you should receive a Boeing TotalAccess password, which you must use to access your new VIP account. Please see “Frequently Asked Questions,” beginning on page 4.
# 2012 Key Dates

## For the Helena Plan

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 7, 2012 (up to market close)</td>
<td>All transactions will be restricted, including loan repayments, new distributions or loans, fund transfers, directing or diversifying investments, changing participant information such as address or last name, and so forth</td>
</tr>
</tbody>
</table>

## For the VIP

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
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<tbody>
<tr>
<td>May 2012</td>
<td>New participants who do not have a current VIP account will receive VIP information and a Boeing TotalAccess password under separate cover</td>
</tr>
<tr>
<td>May 15, 2012</td>
<td>Your Helena Plan account is scheduled to merge into the VIP</td>
</tr>
<tr>
<td>May 25, 2012</td>
<td>Your transferred Helena Plan account balances are scheduled to be available for transactions in the VIP</td>
</tr>
</tbody>
</table>
Frequently Asked Questions

What if I have a question about my Helena Plan account?

Before May 15, 2012, contact The Hartford at 1-800-854-0647 for general account information and to change your investment options. The Hartford’s automated phone system is available 24 hours a day, and Hartford Service Specialists are available to assist you Monday through Friday from 8 a.m. to 8 p.m. Eastern time (7 a.m. to 7 p.m. Central time; 6 a.m. to 6 p.m. Mountain time; 5 a.m. to 5 p.m. Pacific time). You may access your Helena Plan account online at www.thehartford.com/retirementplans/access. You will need your Helena Plan personal identification number (PIN) to access your account. If you do not know your PIN, you may call the Hartford’s Service Specialists for assistance.

Beginning May 25 at 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time), call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803) and follow the directions under “For More Information” on page 5. Boeing Savings Service Center representatives are available to assist you Monday through Friday from 9 a.m. to 9 p.m. Eastern time (8 a.m. to 8 p.m. Central time; 7 a.m. to 7 p.m. Mountain time; 6 a.m. to 6 p.m. Pacific time). During the blackout period, representatives will be able to provide general information about the VIP, but they will not be able to answer specific questions about your transferred Helena Plan account information until your account is available for transactions in the VIP (expected to be available on May 25, 2012).

Will I be able to use my current Helena Plan PIN for my VIP?

No. Your current Helena Plan PIN will not transfer to the VIP. To access your VIP account, you will need to use your Boeing TotalAccess password. If you do not have a Boeing TotalAccess password, call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803) and follow the prompts. A password reminder will be mailed to your address of record.

Will I receive a statement of my converted balance?

Yes. You will receive a final Helena Plan statement from The Hartford in July 2012. This statement will show activity from April 1, 2012 through June 30, 2012.
Will I need to complete a new Beneficiary Designation form?

Yes, you will need to complete a new Beneficiary Designation form if you currently do not have a VIP account. It is very important that you make sure to designate a beneficiary under the VIP to ensure that your wishes are followed with your VIP account in the event of your death. If you currently have a VIP account, your VIP beneficiary will also apply to your newly merged funds from the Helena Plan. If you have a VIP account but have not designated a beneficiary yet, follow the information below to designate a beneficiary.

**Online**—From work, log on to my.boeing.com and click the TotalAccess tab. From the menu on the left, click My Savings & Pension, click Retirement Savings Plans, and then click Boeing Savings Plans Online. If you are not at a Boeing location, log on to www.boeing.com/express using your BEMSID and Boeing TotalAccess password. Once logged on to your savings plan account, click Go To My Account (if you have multiple Boeing Plan accounts, you first need to click Boeing Company VIP), click Personal Information, then click Beneficiary Information to add or change your beneficiary designation.

**By telephone**—Call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803) and follow the prompts. If you are calling from a rotary phone, stay on the line and a Boeing Savings Service Center representative will assist you. You must have your BEMSID and Boeing TotalAccess password when you call. Once connected to your savings plan account, press the zero key to speak with a Boeing Savings Service Center representative during business hours to make your beneficiary designation. Representatives are available 9 a.m. to 9 p.m. Eastern time (8 a.m. to 8 p.m. Central time; 7 a.m. to 7 p.m. Mountain time; 6 a.m. to 6 p.m. Pacific time), Monday through Friday except for stock market holidays.

You also can print the Beneficiary Designation form from the Boeing Savings Plans Online website. See below for more details about accessing your VIP account online.

Will I be able to access my new VIP account on the Web?

Yes, when your account is available for transactions in the VIP (scheduled to begin at 9 a.m. Eastern time [8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time]) on May 25, 2012. To access your VIP account online from Boeing locations, log on to my.boeing.com on the Boeing Web, click the TotalAccess tab, then click My Savings & Pension.

On the World Wide Web, log on to www.boeing.com/express. To access your VIP account, you will need to enter your BEMSID and your Boeing TotalAccess password.
Benefits Information (continued)

When will the blackout period begin?
The blackout period is scheduled to begin on May 7, 2012, when the restrictions and limitations described on page 2 begin. The transition of Helena Plan records to the VIP is scheduled to begin on May 15. **All account transactions in your Helena Plan account will not be allowed beginning 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on May 7, 2012.** Please refer to the Key Dates section on page 3. Remember, the blackout period will not affect access to your current VIP account. You will have full access to your Helena Plan balance in the VIP as of 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on May 25, 2012.

Where can I find more information regarding the VIP investment options before May 25, 2012?
You can find VIP fund information on the Boeing Benefits and Compensation website (www.boeing.com/benefits/). Click Nonunion Employees, click Savings Plans, click Fund Fact Sheets, and then click Voluntary Investment Plan, which will provide you with a list of all the funds available in the VIP.

If I have a current VIP account, will my account balance transferred from the Helena Plan have different features after the merger than my current VIP account?
No, your account balance transferred to the VIP will have the same Plan features as your current VIP account.

If I am a terminated participant with an account balance in the Helena Plan and have never participated in the VIP, how will I access my Helena Plan account after the merger to the VIP?
If you terminated your employment before becoming eligible to participate in the VIP, a Boeing TotalAccess password will be mailed to the most recent address that is on record. If you do not receive a Boeing TotalAccess password, you can request a new password from Boeing TotalAccess. See “For More Information” on page 7.

As a terminated participant, how long will I be able to leave my account balance in the VIP?
If your account balance is more than $1,000, you will be able to leave your account in the VIP until age 70½, when required minimum distributions must begin.
For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to my.boeing.com and click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMSID and your Boeing TotalAccess password. Click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803). You must have your BEMSID and Boeing TotalAccess password available when you call. When you are asked, “How may I help you today?” say, “I would like to speak with the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service representative. Service Center representatives are available weekdays between 8 a.m. and 8 p.m. Central time.
Plan Amendment Information

This Update is a summary of material modifications to your summary plan descriptions for the following benefit plans:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- The Boeing Helena, Inc. 401(k) Plan and Trust

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA). Every effort has been made to provide accurate information in this Update. In the event of a conflict between this Update and the Plan documents listed above, the terms of the Plan documents will control. Copies of the VIP summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the VIP described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes
The Digital Receiver Technology, Inc. 401(k) Plan Will Merge Into The Boeing Company Voluntary Investment Plan

This Update summarizes plan changes that affect your retirement plans and updates your summary plan descriptions. The effective date of the changes is June 15, 2012, unless otherwise noted.

The changes apply to you if you have an account in the Digital Receiver Technology, Inc. 401(k) Profit Sharing Plan (DRT Plan).

This Update is for your information and is being provided to you as required by Federal law. Action may be required on your part.

Effective June 15, 2012, your account in the DRT Plan is scheduled to merge into The Boeing Company Voluntary Investment Plan (VIP). The investment funds in your DRT Plan account will be sold, and the proceeds will be mapped to one of the nine VIP lifecycle funds as shown below, except for funds invested in the Fidelity Money Market Trust Retirement Portfolio and Fidelity Short-Term Bond fund investment options, which will be mapped to the VIP Stable Value Fund (see “Important notice” on page 2). Subject to the Important notice on page 2, your DRT Plan account will be invested in the applicable lifecycle fund that has an associated date closest to your expected retirement year. The current VIP Lifecycle Fund Fact Information sheet for the nine lifecycle funds and the VIP Stable Value Fund Fact sheet are also enclosed with this summary. The following chart displays the lifecycle fund that your DRT Plan account will map to on the plan merger date depending on your date of birth, except for any portion of your DRT Plan account that is invested in the Fidelity Money Market Trust Retirement Portfolio or Fidelity Short-Term Bond investment funds, which will map to the VIP Stable Value Fund:

<table>
<thead>
<tr>
<th>Birth Date Range</th>
<th>How Your DRT Plan Account Will Be Invested in the VIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you were born 12/31/1950 or before</td>
<td>Your DRT Plan account will be invested in the Lifecycle Retirement Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1951 through 12/31/1955</td>
<td>Your DRT Plan account will be invested in the Lifecycle 2015 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1956 through 12/31/1960</td>
<td>Your DRT Plan account will be invested in the Lifecycle 2020 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1961 through 12/31/1965</td>
<td>Your DRT Plan account will be invested in the Lifecycle 2025 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1966 through 12/31/1970</td>
<td>Your DRT Plan account will be invested in the Lifecycle 2030 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1971 through 12/31/1975</td>
<td>Your DRT Plan account will be invested in the Lifecycle 2035 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1976 through 12/31/1980</td>
<td>Your DRT Plan account will be invested in the Lifecycle 2040 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1981 through 12/31/1985</td>
<td>Your DRT Plan account will be invested in the Lifecycle 2045 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1986 or after</td>
<td>Your DRT Plan account will be invested in the Lifecycle 2050 Fund</td>
</tr>
</tbody>
</table>

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Benefits Information (continued)

Important notice:

If you do not want your DRT Plan account, or a portion thereof, to be invested in one of the VIP lifecycle funds, you may transfer your DRT Plan account, or a portion thereof, into the Fidelity Money Market Trust Retirement Portfolio or Fidelity Short-Term Bond investment funds before 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on June 13, 2012. All funds invested in the Fidelity Money Market Retirement Portfolio or Fidelity Short-Term Bond investment funds as of 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on June 13, 2012, will be invested in the VIP Stable Value Fund. The Fidelity Money Market Trust Retirement Portfolio Investment fund and Fidelity Short-Term Bond fund are the only DRT Plan funds that will not be invested in a VIP lifecycle fund when assets transfer from Fidelity to ING.

DRT Plan Short-Term Redemption Fees

Please note that some of the Fidelity funds in the DRT Plan charge a short-term redemption fee, and that certain short-term redemption fees may apply in connection with the merger of your DRT Plan account into the VIP. For more information about which DRT Plan funds may charge a redemption fee and when the fee would apply, go to www.401k.com. Please take this into consideration when transferring into any of the DRT Plan funds that are subject to the short-term redemption fee before the asset transfer date on June 15.

Special Notes

- The Boeing Company (Company) does not underwrite, warrant, guarantee, or in any way ensure the performance of any investment option available through the VIP.
- All funds in the VIP have a short-term redemption fee of 1.5 percent applied to the proceeds value of units sold on all sale transactions that occur 15 or fewer calendar days from the date the units are purchased (excluding contributions, loan repayments, or rollover contributions). This fee will not apply to amounts initially merged into the VIP from the DRT Plan. You may transfer initially merged funds without incurring the short-term redemption fee.

Restrictions and Limitations to Service During the Blackout Period, June 13 Through June 26, 2012

ING, the recordkeeper of the VIP, is working closely with the Company to ensure that the transition from the DRT Plan to the VIP occurs with minimal disruption in service. To this end, transactions in the DRT Plan are scheduled to be restricted according to the schedule on page 3 from 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on June 13 through 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on June 26. This blackout period will affect only the amounts merged into the VIP from the DRT Plan. If you are currently participating in the VIP, this restriction will not affect access to your current VIP account.

This blackout period will ensure the efficient transfer of records to ING and transition of funds into one of the VIP funds as discussed on the previous page. Because this service interruption is unavoidable, please plan ahead. See the attached Update, “Important Notice Concerning Your Rights Under the Digital Receiver Technology, Inc. 401(k) Profit Sharing Plan,” which more fully describes the blackout period during which transactions will be restricted.

For more information, see the schedule of key dates on page 3 and an explanation about transaction restrictions during the blackout period.

If you do not have a current VIP account, you should receive a Boeing TotalAccess password, which you must use to access your VIP account. Please see “Frequently Asked Questions,” beginning on page 3.
2012 Key Dates

For the DRT Plan

<table>
<thead>
<tr>
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<th>Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 13, 2012 (up to market close)</td>
<td>All transactions will be restricted, including new distributions, in-service withdrawals, new loans, fund transfers, directing or diversifying investments, changing participant information such as address, last name, and so forth</td>
</tr>
</tbody>
</table>

For the VIP

<table>
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<td>New participants who do not have a current VIP account will receive VIP information and a Boeing TotalAccess password under separate cover</td>
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<td>June 15, 2012</td>
<td>Your DRT Plan account is scheduled to merge into the VIP</td>
</tr>
<tr>
<td>June 26, 2012 (9 a.m. Eastern time; 8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time)</td>
<td>Your transferred DRT Plan account balances are scheduled to be available for transactions in the VIP</td>
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</table>

Frequently Asked Questions

**Why is the DRT Plan going to be merged into the VIP?**

The decision was made to merge the DRT Plan into the VIP to allow participants to have all of their 401(k) Plan retirement funds in one place. Having one plan simplifies the management of your 401(k) Plan retirement funds, and also simplifies the overall administration of your retirement program. By merging the DRT Plan into the VIP, you will also be able to take advantage of the low cost structure of the VIP created by its significant amount of plan assets (approximately $33 billion as of December 31, 2011) and extensive financial planning services.

**Can I request a distribution of my DRT Plan account balance or roll over such account balance to an IRA or another retirement plan while I remain employed with DRT, Boeing, or any of their affiliates?**

No, as long as you remain employed by DRT, Boeing, or any of their affiliates within the controlled group (as determined under IRS rules), you will generally not be able to request a distribution or roll over your DRT Plan account balance. However, subject to applicable plan guidelines, you may be eligible in certain situations to request a withdrawal of your DRT Plan/VIP account balances while you remain employed (for instance, if you are at least age 59½ or a portion of your DRT Plan account is from rollover contributions).
If the DRT Plan was terminated instead of being merged into the VIP would I have been able to request a distribution of my DRT Plan account balance or roll over such account balance to an IRA or another retirement plan on account of such plan termination?

No. The DRT Plan is intended to be a tax-qualified retirement plan, which requires it to comply with various qualification requirements under Federal law. One of those requirements is that participants’ 401(k) contributions (and related earnings) may not be distributed before a permissible distribution event. Under IRS rules, even if the DRT Plan was terminated (i.e., a different approach from merging the DRT Plan into the VIP, as described above), your account could not be distributed for two reasons:

1. Another defined contribution plan is maintained by Boeing and its affiliates (i.e., the VIP).
2. DRT employees are eligible to participate in the VIP effective as of Dec. 16, 2011.

However, these rules do not prevent the DRT Plan from being merged into the VIP.

What if I have a question about my DRT Plan account?

Before June 13, 2012, you may access your DRT Plan account online at Fidelity NetBenefits at www.401k.com or call the Retirement Benefits Line at 1-800-835-5097. You will need your User ID and password to access your DRT account. If you do not know your User ID or password, you may call Fidelity at 1-800-835-5097 to speak with a Participant Services representative. Fidelity’s automated phone system is available 24 hours a day, and Participant Service representatives are available to assist you Monday through Friday from 8 a.m. to 6 p.m. Eastern time.

Beginning June 26 at 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time), call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803) and follow the directions under “For More Information,” on page 6. Boeing Savings Service Center representatives are available to assist you Monday through Friday from 9 a.m. to 9 p.m. Eastern time (8 a.m. to 8 p.m. Central time; 7 a.m. to 7 p.m. Mountain time; 6 a.m. to 6 p.m. Pacific time). During the blackout period, representatives will be able to provide general information about the VIP, but they will not be able to answer specific questions about your transferred DRT Plan account information until your account is available for transactions in the VIP beginning 9 a.m. Eastern time on June 26, 2012.

Will I be able to use my current DRT Plan password for my VIP?

No. Your current DRT Plan password will not transfer to the VIP. To access your VIP account, you will need to use your Boeing TotalAccess password. If you do not have a Boeing TotalAccess password, call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803) and follow the prompts. A password reminder will be mailed to your address of record.

Will I receive a statement of my converted balance?

Yes. You will receive a final DRT Plan statement from Fidelity in July 2012. This statement will show activity from April 1, 2012, through June 14, 2012.

Will I need to complete a new Beneficiary Designation form?

Yes, if you currently do not have a VIP account. It is very important that you make sure to designate a beneficiary under the VIP to ensure your wishes are followed in the event of your death. If you currently have a VIP account, your VIP beneficiary will also apply to your newly merged funds from the DRT Plan. If you have a VIP account but have not designated a beneficiary yet, follow the information below to designate a beneficiary.

Online—From work, log on to my.boeing.com and click the TotalAccess tab. From the menu on the left, click My Savings & Pension, click Retirement Savings Plans, and then click Boeing Savings Plans Online. If you are not at a Boeing location, log on to www.boeing.com/express using your BEMSID and Boeing TotalAccess password. Once logged onto your savings plan account, click Go To My Account (if you have multiple Boeing Plan accounts, you first need to click Boeing Company VIP), click Personal Information, then click Beneficiary Information to add or change your beneficiary designation.
By telephone—Call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803) and follow the prompts. If you are calling from a rotary phone, stay on the line and a Boeing Savings Service Center representative will assist you. You must have your BEMSID and Boeing TotalAccess password when you call. Once connected to your savings plan account, press the zero key to speak with a Boeing Savings Service Center representative during business hours to make your beneficiary designation. Representatives are available 9 a.m. to 9 p.m. Eastern time, Monday through Friday except for stock market holidays.

You also can print the Beneficiary Designation form from the Boeing Savings Plans Online website. See below for more details about accessing your VIP account online.

Will I be able to access my new VIP account on the Web?

Yes, when your account is available for transactions in the VIP (scheduled to begin at 9 a.m. Eastern time [8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time] on June 26, 2012). To access your VIP account online from Boeing locations, log on to my.boeing.com on the Boeing Web, click the TotalAccess tab, then click the My Savings & Pension tab.

On the World Wide Web, log on to www.boeing.com/express. To access your VIP account, you will need to enter your BEMSID and your Boeing TotalAccess password.

When will the blackout period begin?

The blackout period is scheduled to begin at 4 p.m. Eastern time on June 13, 2012, when the restrictions and limitations described on page 2 begin. The transition of DRT Plan records to the VIP is scheduled to begin on June 15. All account transactions in your DRT Plan account will not be allowed beginning 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on June 13, 2012. Please refer to the Key Dates section on page 3. Remember, the blackout period will not affect access to your current VIP account. You will have full access to your DRT Plan balance in the VIP as of 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on June 26, 2012.

Where can I find more information regarding the VIP investment options before June 26, 2012?

You can find VIP fund information on the Boeing Benefits and Compensation website (http://www.boeing.com/companyoffices/empinfo/benefits/). Click Nonunion Employees, click Savings Plans, click Fund Fact Sheets, and then click Voluntary Investment Plan, which will provide you with a list of all the funds available in the VIP.

If I have a current VIP account, will my account balance transferred from the DRT Plan have different features after the merger than my current VIP account?

No, your account balance transferred to the VIP will have the same Plan features as your current VIP account.

What will happen to my Roth 401(k) balance?

Your Roth 401(k) balance will also roll over into the VIP. Your Roth 401(k) balance and associated earnings will be held in a separate source. Boeing does not offer a Roth 401(k); therefore, you will not be able to add new contributions to your Roth source. Please contact the Boeing Savings Service Center for information regarding withdrawals of any Roth contributions in your rollover account as special rules apply.

I am a terminated participant with an account balance in the DRT Plan and have never participated in the VIP. How will I access my DRT Plan account after the merger to the VIP?

If you terminated your employment before becoming eligible to participate in the VIP, a Boeing TotalAccess password will be mailed to the most recent address that is on record. If you do not receive a Boeing TotalAccess password, you can request a new password by calling Boeing TotalAccess and requesting a password reminder. See “For More Information,” on page 6.

As a terminated participant, how long will I be able to leave my account balance in the VIP?

If your account balance is more than $1,000, you will be able to leave your account in the VIP until age 70½, when required minimum distributions must begin. If your account balance is $1,000 or less, your account will be paid to you in a lump-sum distribution 90 days following the date you are notified that you must take your money out of the VIP.
For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to my.boeing.com and click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMSID and your Boeing TotalAccess password. Click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-866-628-5803. You must have your BEMSID and Boeing TotalAccess password available when you call. When you are asked, “How may I help you today?” say, “I would like to speak with the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service representative. Service Center representatives are available weekdays between 8 a.m. and 8 p.m. Central time.

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**Plan Amendment Information**

This *Update* is a summary of material modifications to your summary plan descriptions for the following benefit plans:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- Digital Receiver Technology, Inc. 401(k) Plan (Plan 001)

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended. Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and the Plan documents listed above, the terms of the Plan documents will control. Copies of the VIP summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the VIP described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Savings Plan Changes
The Argon ST 401(k) Plan Will Merge Into The Boeing Company Voluntary Investment Plan

This Update summarizes plan changes that affect your retirement plans and updates your summary plan descriptions. The effective date of the changes is June 15, 2012, unless otherwise noted.

The changes apply to you if you have an account in the Argon ST, Inc. 401(k) Profit Sharing Plan & Trust (Argon Plan). This Update is for your information and is being provided to you as required by Federal law. Action may be required on your part.

Effective June 15, 2012, your account in the Argon Plan is scheduled to merge into The Boeing Company Voluntary Investment Plan (VIP). The investment funds in your Argon Plan account will be sold, and the proceeds will be mapped to one of the nine VIP lifecycle funds as shown below, except for funds invested in the Argon Plan Managed Income Portfolio option, which will be mapped to the VIP Stable Value Fund (see “Important notice” on page 2). Subject to the Important notice on page 2, your Argon Plan account will be invested in the applicable lifecycle fund that has an associated date closest to your expected retirement year. The current VIP Lifecycle Fund Fact Information sheet for the nine lifecycle funds and the VIP Stable Value Fund Fact sheet are also enclosed with this summary. The following chart displays the lifecycle fund that your Argon Plan account will map to on the plan merger date depending on your date of birth, except for any portion of your Argon account that is in the Managed Income Portfolio Fund, which will map to the VIP Stable Value Fund:

<table>
<thead>
<tr>
<th>Birth Date Range</th>
<th>How Your Plan Account Will Be Invested in the VIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you were born 12/31/1950 or before</td>
<td>Your Argon Plan account will be invested in the Lifecycle Retirement Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1951 through 12/31/1955</td>
<td>Your Argon Plan account will be invested in the Lifecycle 2015 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1956 through 12/31/1960</td>
<td>Your Argon Plan account will be invested in the Lifecycle 2020 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1961 through 12/31/1965</td>
<td>Your Argon Plan account will be invested in the Lifecycle 2025 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1966 through 12/31/1970</td>
<td>Your Argon Plan account will be invested in the Lifecycle 2030 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1971 through 12/31/1975</td>
<td>Your Argon Plan account will be invested in the Lifecycle 2035 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1976 through 12/31/1980</td>
<td>Your Argon Plan account will be invested in the Lifecycle 2040 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1981 through 12/31/1985</td>
<td>Your Argon Plan account will be invested in the Lifecycle 2045 Fund</td>
</tr>
<tr>
<td>If you were born 1/1/1986 or after</td>
<td>Your Argon Plan account will be invested in the Lifecycle 2050 Fund</td>
</tr>
</tbody>
</table>
Important notice:

If you do not want your Argon Plan account, or a portion thereof, to be invested in one of the VIP lifecycle funds, you may transfer the funds in your Argon Plan account, or a portion thereof, into the Managed Income Portfolio fund before 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on June 5, 2012. All funds invested in the Managed Income Portfolio fund as of 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on June 5, 2012, will be invested in the VIP Stable Value Fund. The Managed Income Portfolio fund is the only Argon Plan fund that will not be invested in a lifecycle fund when assets transfer from Fidelity to ING.

In addition, if you have invested your Argon funds through the self-directed Brokeragelink, you will need to move those funds to one of the Fidelity funds in the Argon Plan before 4 p.m. on June 5, 2012. If you do not transfer your money out of the Brokeragelink by this date, the money will automatically be transferred to the Fidelity Freedom Fund K Income fund in the Argon Plan, and you will incur a representative-assisted fee for this transaction. If you transfer the money yourself, you will be charged a lesser non-representative-assisted fee. For more information about these fees, please call the Fidelity customer service number at 1-800-890-4015.

Argon Plan Short-Term Redemption Fees

Please note that some of the Fidelity funds in the Argon Plan charge a short-term redemption fee and that certain short-term redemption fees may apply in connection with the merger of your Argon Plan account into the VIP. For more information about which Argon Plan funds may charge a redemption fee and when the fee would apply, go to www.401k.com. Please take this in consideration when transferring into any of the Argon Plan funds that are subject to the short-term redemption fee before the asset transfer date on June 15.

Special notes:

- The Boeing Company (Company) does not underwrite, warrant, guarantee, or in any way ensure the performance of any investment option available through the VIP.
- All funds in the VIP have a short-term redemption fee of 1.5 percent that is applied to the proceeds value of units sold on all sale transactions that occur 15 or fewer calendar days from the date the units are purchased (excluding contributions, loan repayments, or rollover contributions). This fee will not apply to amounts initially merged into the VIP from the Argon Plan. You may transfer initially merged funds without incurring the short-term redemption fee.
Restrictions and Limitations to Service During the Blackout Period, June 5 Through June 26, 2012

ING, the recordkeeper of the VIP, is working closely with the Company to ensure that the transition from the Argon Plan to the VIP occurs with minimal disruption in service. To this end, transactions in the Argon Plan are scheduled to be restricted according to the schedule on page 4 from 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on June 5 through 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on June 26. This blackout period will affect only the amounts merged into the VIP from the Argon Plan. If you are currently participating in the VIP, this restriction will not affect access to your current VIP account.

This blackout period will ensure the efficient transfer of records to ING and transition of funds into one of the VIP funds, as discussed on the previous page. Because this service interruption is unavoidable, please plan ahead. See the attached Update, “Important Notice Concerning Your Rights Under the Argon ST, Inc. 401(k) Profit Sharing Plan & Trust,” which more fully describes the blackout period during which transactions will be restricted.

For more information, see the schedule of key dates on page 4 and an explanation about transaction restrictions during the blackout period.

If you do not have a current VIP account, you should receive a Boeing TotalAccess password, which you must use to access your VIP account. Please see “Frequently Asked Questions,” beginning on page 5.
# 2012 Key Dates

## For the Argon Plan

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The decision was made to merge the Argon Plan into the VIP to allow participants to have all of their 401(k) Plan retirement funds in one place. Having one plan simplifies the management of your 401(k) Plan retirement funds, and also simplifies the overall administration of your retirement program. By merging the Argon Plan into the VIP, you will also be able to take advantage of the low cost structure of the VIP created by its significant amount of plan assets (approximately $33 billion as of December 31, 2011) and extensive financial planning services.

Can I request a distribution of my Argon Plan account balance or roll over such account balance to an IRA or another retirement plan while I remain employed with Argon, Boeing, or any of their affiliates?

No, as long as you remain employed by Argon, Boeing, or any of their affiliates within the controlled group (as determined under IRS rules), you will generally not be able to request a distribution or roll over your Argon Plan account balance. However, subject to applicable plan guidelines, you may be eligible in certain situations to request a withdrawal of your Argon Plan account balance while you remain employed (for example, if you are at least age 59½ or your rollover contributions, if applicable).

If the Argon Plan was terminated instead of being merged into the VIP, would I have been able to request a distribution of my Argon Plan account balance or roll over such account balance to an IRA or another retirement plan due to the termination of the plan?

No. The Argon Plan is intended to be a tax-qualified retirement plan, which requires it to comply with various qualification requirements under Federal law. One of those requirements is that employees’ 401(k) contributions (and related earnings) may not be distributed before a permissible distribution event. Under IRS rules, even if the Argon Plan was terminated (i.e., a different approach from merging the Argon Plan into the VIP, as described above), your account could not be distributed for two reasons:

1. Another defined contribution plan is maintained by Boeing and its affiliates (i.e., the VIP).
2. Argon employees are eligible to participate in the VIP effective as of December 16, 2011.

However, these rules do not prevent the Argon Plan from being merged into the VIP.

I have money invested through the Argon Plan self-directed Brokeragelink. How will it transfer over to the VIP?

You will need to take action before 4 p.m. Eastern time on June 5, 2012, to move your investments from the self-directed Brokeragelink to one of the Fidelity investment fund options in the Argon Plan. This step will prepare your Argon account to be moved to the VIP according to the fund mapping information on page 1. If you do not move your investments from the Brokeragelink before 4 p.m. on June 5, they will be automatically transferred to the Fidelity Freedom Fund K Income fund in the Argon Plan, and your Argon account will be charged a representative-assisted fee. If you make the transfer yourself, you will be charged a lesser non-representative-assisted fee. For more information about these fees, please call the Fidelity customer service number at 1-800-890-4015.

Part of my Argon 401(k) balance is in the Argon Engineering Associates, Inc. Money Purchase Plan & Trust, which has certain restrictions on it such as requiring spousal consent if I take a withdrawal. Will I have the same restrictions on this money when it’s transferred over to the VIP?

Yes. Your balance in the Argon Engineering Associates, Inc. Money Purchase Plan & Trust will automatically transfer to an employer contribution spousal consent money source in the VIP that has the same characteristics and restrictions as the money from the Argon Money Purchase Plan. This portion of your balance in the VIP will remain a separate source, which will continue to require spousal consent if you request a withdrawal or distribution from the VIP in the future.
What if I have a question about my Argon Plan account?

Before June 5, 2012, you may access your Argon Plan account online at Fidelity NetBenefits at www.401k.com or call the Fidelity customer service number at 1-800-890-4015. You will need your Argon Plan User ID and password to access your Argon Plan account. If you do not know your User ID or password, you may call Fidelity at 1-800-890-4015 to speak with a participant service representative. Fidelity's automated phone system is available 24 hours a day, and Participant Service representatives are available to assist you Monday through Friday from 8 a.m. to midnight Eastern time.

Beginning June 26, 2012, at 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time), call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803) and follow the directions under “For More Information,” on page 8. Boeing Savings Service Center representatives are available to assist you Monday through Friday from 9 a.m. to 9 p.m. Eastern time (8 a.m. to 8 p.m. Central time; 7 a.m. to 7 p.m. Mountain time; 6 a.m. to 6 p.m. Pacific time). During the blackout period, representatives will be able to provide general information about the VIP, but they will not be able to answer specific questions about your transferred Argon Plan account information until your account is available for transactions in the VIP (expected to be available on June 26, 2012).

Will I be able to use my current Argon Plan password for my VIP?

No. Your current Argon Plan password will not transfer to the VIP. To access your VIP account, you will need to use your Boeing TotalAccess password. If you do not have a Boeing TotalAccess password, call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803) and follow the prompts. A password reminder will be mailed to your address of record.

Will I receive a statement of my converted balance?

Yes. You will receive a final Argon Plan statement from Fidelity in July 2012. This statement will show activity from March 1, 2012, through June 14, 2012.

What will happen to my Roth 401(k) balance?

Your Roth 401(k) balance will also roll over into the VIP. Your Roth 401(k) balance and associated earnings will be held in a separate source. Boeing does not offer a Roth 401(k); therefore, you will not be able to add new contributions to your Roth source. Please contact the Boeing Savings Service Center for information regarding withdrawals of any Roth contributions in your rollover account as special rules apply.

Will I need to complete a new Beneficiary Designation form?

Yes, if you currently do not have a VIP account. It is very important that you make sure to designate a beneficiary under the VIP to ensure your wishes are followed in the event of your death. If you currently have a VIP account, your VIP beneficiary will also apply to your newly merged funds from the Argon Plan. If you have a VIP account but have not designated a beneficiary yet, follow the information below to designate a beneficiary.

Online—From work, log on to my.boeing.com and click the TotalAccess tab. From the menu on the left, click My Savings & Pension, click Retirement Savings Plans, and then click Boeing Savings Plans Online. If you are not at a Boeing location, log on to www.boeing.com/express using your BEMSID and Boeing TotalAccess password. Once logged onto your savings plan account, click Go To My Account (if you have multiple Boeing Plan accounts, you first need to click Boeing Company VIP), click Personal Information, then click Beneficiary Information to add or change your beneficiary designation.

By telephone—Call Boeing TotalAccess at 1-866-473-2016 (TTY/TDD services are available at 1-866-628-5803) and follow the prompts. If you are calling from a rotary phone, stay on the line and a Boeing Savings Service Center representative will assist you. You must have your BEMSID and Boeing TotalAccess password when you call. Once connected to your savings plan account, press the zero key to speak with a Boeing Savings Service Center representative during business hours to make your beneficiary designation. Representatives are available 9 a.m. to 9 p.m. Eastern time, Monday through Friday except for stock market holidays.

You also can print the Beneficiary Designation form from the Boeing Savings Plans Online website. See page 7 for more details about accessing your VIP account online.
Will I be able to access my new VIP account on the Web?

Yes, when your account is available for transactions in the VIP (scheduled to begin at 9 a.m. Eastern time [8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time] on June 26, 2012). To access your VIP account online from Boeing locations, log on to my.boeing.com on the Boeing Web, click the TotalAccess tab, then click the My Savings & Pension tab.

On the World Wide Web, log on to www.boeing.com/express. To access your VIP account, you will need to enter your BEMSID and your Boeing TotalAccess password.

I am no longer an active participant with an account balance in the Argon Plan and have never participated in the VIP. How will I access my Argon Plan account after the merger to the VIP?

If you terminated your employment before becoming eligible to participate in the VIP, a Boeing TotalAccess password will be mailed to the most recent address that is on record. If you do not receive a Boeing TotalAccess password you can request a new password by calling Boeing TotalAccess and requesting a password reminder. See “For More Information,” on page 8.

When will the blackout period begin?

The blackout period is scheduled to begin on June 5, 2012, when the restrictions and limitations described on page 3 begin. The transition of Argon Plan records to the VIP is scheduled to begin on June 15. All account transactions in your Argon Plan account will not be allowed beginning 4 p.m. Eastern time (3 p.m. Central time; 2 p.m. Mountain time; 1 p.m. Pacific time) on June 5, 2012. Please refer to the Key Dates section on page 4. Remember, the blackout period will not affect access to your current VIP account. You will have full access to your Argon Plan balance in the VIP as of 9 a.m. Eastern time (8 a.m. Central time; 7 a.m. Mountain time; 6 a.m. Pacific time) on June 26, 2012.

Where can I find more information regarding the VIP investment options?

You can find VIP fund information on the Boeing Benefits and Compensation website (http://www.boeing.com/companyoffices/empinfo/benefits/) Click Nonunion Employees, click Savings Plans, click Fund Fact Sheets, and then click Voluntary Investment Plan, which will provide you with a list of all the funds available in the VIP.

I am no longer an active participant, how long will I be able to leave my account balance in the VIP?

If your account balance is more than $1,000, you will be able to leave your account in the VIP until age 70½, when required minimum distributions must begin. If your account balance is $1,000 or less, your account will be paid to you in a lump-sum distribution 90 days following the date you are notified that you must take your money out of the VIP.
For More Information
Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to my.boeing.com and click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMSID and your Boeing TotalAccess password. Click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-866-628-5803. You must have your BEMSID and Boeing TotalAccess password available when you call. When you are asked, “How may I help you today?” say, “I would like to speak with the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service representative. Service Center representatives are available weekdays between 8 a.m. and 8 p.m. Central time.

**Plan Amendment Information**
This *Update* is a summary of material modifications to your summary plan descriptions for the following benefit plans:

- The Boeing Company Voluntary Investment Plan (Plan 002)
- Argon ST, Inc. 401(k) Profit Sharing Plan & Trust (Plan 003)

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended. Every effort has been made to provide accurate information in this *Update*. In the event of a conflict between this *Update* and the Plan documents listed above, the terms of the Plan documents will control. Copies of the VIP summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the VIP described here, the Company reserves the right to change, modify, amend, or terminate the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Benefit Plan Changes

Employees Represented by International Association of Fire Fighters (IAFF) Local I-66 (Kansas)

This Update summarizes the collectively bargained changes that will affect your benefit plans and updates your summary plan descriptions. The effective date of each change is June 1, 2012, unless otherwise noted.

The changes in this Update apply to you if you are an active employee of The Boeing Company (the “Company”) who is represented by the International Association of Fire Fighters (IAFF) Local I-66 (Kansas).

This Update is for your information and is being provided to you as required by Federal law. **No action on your part is required.**

The changes in this Update apply to the following plans:
- The Boeing Company Employee Retirement Plan (Plan 001)
- The Boeing Company Voluntary Investment Plan (Plan 002)

**Retirement Plan**

*The changes in this section apply to The Boeing Company Employee Retirement Plan (Plan 001).*

The basic benefit will be $74 per month for all years of credited service for employees on the Company’s active payroll on December 1, 2014 (including those who retire from the employ of the Company on December 1, 2014), or those on an authorized period of absence on December 1, 2014, and who return to active employment directly from that authorized leave of absence.

If you are hired or rehired on or after June 1, 2012, you will not be eligible for participation in The Boeing Company Employee Retirement Plan.

- For purposes of determining Plan eligibility, you will be considered hired before June 1, 2012, if
  - You are on an authorized leave of absence on May 31, 2012, and you return to active employment directly from that authorized leave of absence.
  - You are on layoff on May 31, 2012, and you return to active employment within six years of your layoff date.
  - You are an active employee on May 31, 2012, you go on an authorized leave of absence, and you return to active employment directly from that authorized leave of absence.
  - You are an active employee on May 31, 2012, you are laid off, and you return to active employment within six years of your layoff date.

You are considered rehired if
- You return to work from layoff and the return date is more than six years after your layoff date, or
- You commence your retirement benefit during the layoff period and later return to active status within six years of your layoff date.

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Benefits Information (continued)

Savings Plan

The changes in this section apply to The Boeing Company Voluntary Investment Plan (Plan 002).

The current employer matching contribution will continue.

Additional Automatic Company Contribution for New Hires and Rehires

If you are hired or rehired on or after June 1, 2012, you will be eligible for an additional automatic company contribution to The Boeing Company Voluntary Investment Plan (VIP). Each pay period, the Company will contribute an amount equal to 4 percent of your eligible pay for each pay period regardless of whether or not you contribute to the VIP. Eligible pay for purposes of determining the automatic company contribution is base pay plus shift differential. You will be 100 percent vested immediately in this company contribution.

Automatic Rate Escalator for New Hires and Rehires

If you are hired or rehired on or after June 1, 2012, you will be enrolled automatically in the VIP at a pretax contribution rate of 4 percent of your base pay. These pretax contributions will be deducted automatically from your paycheck approximately 60 calendar days after you become eligible to participate in the VIP unless you make an active election to enroll at a different contribution rate or elect to not enroll at all.

If you do not elect to change your contribution rate, the VIP will automatically increase your pretax contribution rate by 1 percent of your base pay on April 1 of the following year. Your pretax contribution rate will be automatically escalated by 1 percent annually each April 1 thereafter until your rate reaches 8 percent of your base pay as long as you do not elect to change, stop, or increase your contribution percentage before the next April 1. You will receive a confirmation statement shortly before your contribution percentage is automatically increased. Your increase will take effect within one to two pay periods following April 1.

For example, if you are hired on August 16, 2012, and you have not actively enrolled, you will be automatically enrolled in the VIP on October 15, 2012 (which is 60 calendar days following your eligibility date), at which time salary deductions will begin being made from your paycheck at a pretax contribution rate of 4 percent of your base pay. If you choose to make no changes to your pretax contribution rate, your contribution percentage rate will automatically increase by 1 percent one to two pay periods following April 1, 2013 (to 5 percent).

You are eligible to enroll in the VIP as of your hire date. The VIP allows you to contribute up to 25 percent of your base pay on a pretax or aftertax basis or a combination of both (combined cannot exceed 25 percent). If you are eligible for an employer matching contribution, you are encouraged to increase your pretax contribution rate and elect a contribution percentage that will provide you with the maximum matching contribution as soon as you are eligible to participate in the VIP. Once you actively enroll in the VIP or make an election change, the automatic escalation feature will no longer apply to you.

More information is provided in the VIP Enrollment Kit about the automatic contribution rate escalator if it applies to you, the automatic enrollment feature, how to enroll and make election changes, and the amount of company matching contributions you may be eligible to receive.

Hires and Rehires After June 1, 2012

For purposes of determining eligibility for the automatic additional company contribution and the automatic rate escalator, you will be considered hired before June 1, 2012, if

- You are on an authorized leave of absence on May 31, 2012, and you return to active employment directly from that authorized leave of absence.
- You are on layoff on May 31, 2012, and you return to active employment within six years of your layoff date.
- You are an active employee on May 31, 2012, you go on an authorized leave of absence, and you return to active employment directly from that authorized leave of absence.
- You are an active employee on May 31, 2012, you are laid off, and you return to active employment within six years of your layoff date.

You are considered rehired if

- You return to work from layoff and the return date is more than six years after your layoff date, or
- You commence your retirement benefit during the layoff period and later return to active status within six years of your layoff date.
Employer Matching Contributions to Be Made in Boeing Stock

Beginning with the first paycheck on or after June 1, 2012, you will receive your employer matching contributions in the form of Boeing Stock Fund units. These units will be contributed and posted to your VIP account in the Boeing Stock Fund each payday and can be viewed online the following day. The value of employer matching contributions that you are entitled to receive has not changed; a number of Boeing Stock Fund units equal to the value you would otherwise have received as cash will be made to your VIP account. The number of Boeing Stock Fund units posted to your VIP account will be based upon the dollar amount of the employer matching contribution, divided by the Boeing Stock Fund’s unit value as of the market close each payday.

**Transfers To/From Boeing Stock Fund**

There is no change in the ability to process transfers, including into or out of the Boeing Stock Fund, at any time. Subject to insider trading rules, you may, at any time after the contributions have been posted, elect to transfer an amount equivalent to your employer matching contribution to another investment option available to you under the VIP without incurring redemption fees. In addition, any other amounts that you have invested in the Boeing Stock Fund that have remained in the fund for more than 15 days may be transferred out of the fund without incurring redemption fees. However, any amounts transferred into the Boeing Stock Fund from other funds in the VIP within the 15 days before your transfer request will continue to be subject to normal redemption fees.

Fund transfers made before 4 p.m. Eastern time on a day that the New York Stock Exchange (NYSE) is open will be effective the same day. Fund transfers made on or after 4 p.m. Eastern time or on a day that the NYSE is closed will be effective on the next day the NYSE is open.

**Insider Trading Rules**

Insider trading rules apply to transferring funds into or out of the Boeing Stock Fund. This means that you cannot transfer funds into or out of the Boeing Stock Fund if you are aware of material nonpublic information about the Company. See PRO-12, “Buying and Selling Securities - Insider Trading.” This includes participating in the automatic rebalancing feature of the VIP.

Employees who are eligible to receive the Boeing Stock match need to take the Insider Trading Course (TR007835) to help ensure they understand the rules to protect against insider trading.

**ING Advisor Service***

Effective June 1, 2012, you are eligible to use ING Advisor Service. ING Advisor Service offers personalized, objective investment advice two ways:

- Use the Personal Online Advisor on Boeing Savings Plans Online through Boeing TotalAccess and/or speak with an ING Investment Advisor Representative by calling the Boeing Savings Service Center through Boeing TotalAccess, or
- Enroll in the Professional Account Manager program and have a professional manage your account for you.**

* Your account will be assessed a monthly fee of $0.50. This fee applies to all participants eligible for ING Advisor Service.

** You will pay a monthly fee if you enroll in the Professional Account Manager program. The fee is based on your total account balance. The annualized fee is 0.4% on the first $50,000 of your account balance, then 0.3% on the next $50,000, 0.2% on the next $50,000, and 0.1% on balances over $150,000.

On or after June 1, 2012, go to your VIP account at Boeing Savings Plans Online and click the ING Advisor Service tab to learn more about this service.
Benefits Information (continued)

For More Information
Contact the Boeing service centers through Boeing TotalAccess.

- **On the Boeing Web:** Log on to my.boeing.com and click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMSID and your Boeing TotalAccess password. Click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. You must have your BEMSID and your Boeing TotalAccess password available when you call. Hearing-impaired callers should use the relay service offered through their telephone service provider. Customer service representatives generally are available during regular business hours.

Plan Amendment Information
This Update is a summary of material modifications to your summary plan descriptions for the following company benefit plans:

- The Boeing Company Employee Retirement Plan (Plan 001)
- The Boeing Company Voluntary Investment Plan (Plan 002)

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this Update. In the event of a conflict between this Update and the Plan documents listed above, the terms of the Plan documents listed above will control. Copies of the summary plan descriptions may be obtained by contacting the Boeing service centers through Boeing TotalAccess.

Although the Company fully intends to continue the plans described here, the Company reserves the right to change, modify, amend, or terminate them at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Savings Plan Changes

Participants in the VIP

This Update summarizes plan changes that affect your savings plan and updates your summary plan description. The effective date of each change is noted in each section.

This Update is for your information and is being provided to you as required by Federal law. No action on your part is required.

The changes in this Update apply to The Boeing Company Voluntary Investment Plan (Plan 002) (VIP).

The following section applies to all nonunion employees and certain union employees (see page 2 for a list of affected unions) effective the last paycheck in December 2012.

Employer Matching Contributions Will Be Made in Cash and No Longer in Boeing Stock

Beginning with the December 20, 2012, paycheck for salaried employees and the December 27, 2012, paycheck for hourly employees, your employer matching contributions will no longer be made in the form of Boeing Stock Fund units. The employer matching contributions will be made in cash and will be posted to the funds in your VIP account according to your current investment elections each payday that you contribute to your VIP account. If you have not made an investment election, your employer matching contributions will be invested in the appropriate Qualified Default Investment Alternative (“QDIA”) lifecycle fund. Your employee and employer matching contributions can be viewed online the following day. The value of employer matching contributions that you are entitled to receive has not changed. Although no action on your part is required, you may want to review your current investment elections on Boeing Savings Plans Online through TotalAccess.

Catch-up contributions are not eligible for employer matching contributions.

Transfers To/From Boeing Stock Fund

There will be no change in the ability to process transfers into or out of the Boeing Stock Fund. Subject to insider trading rules, you may transfer any amounts from one fund to another, such as the Boeing Stock Fund. You will not incur a redemption fee if the transfer out of the fund occurs more than 15 days after the transfer into the fund. Any money that has been invested through contributions, loan payments, rollover contributions, or dividend reinvestments is excluded from the redemption fee.

Fund transfers made before 4 p.m. Eastern time on a day that the New York Stock Exchange (NYSE) is open will be effective the same day. Fund transfers made on or after 4 p.m. Eastern time or on a day that the NYSE is closed will be effective on the next day the NYSE is open.

Insider Trading Rules

Insider trading rules apply to transferring funds into or out of the Boeing Stock Fund. This means that you cannot transfer funds into or out of the Boeing Stock Fund if you are aware of material nonpublic information about the Company. See PRO-12, “Buying and Selling Securities - Insider Trading.” This includes electing or ceasing participation in the automatic rebalancing feature of the VIP.

All employees are encouraged to take the Insider Trading Course (TR007835) to help ensure that they understand the rules to protect against insider trading.
Employees of the following unions are affected by this change:

- International Association of Firefighters AFL-CIO (IAFF)
  Local Nos. I-66 (Kansas, St. Louis, California, Washington) and I-17
- International Union, Security, Police and Fire Professionals of America and Certain Affiliated Amalgamated Unions (SPFPA)
  Local Nos. 2 and 5
- International Association of Machinists and Aerospace Workers (IAM)
  District Lodges 837, 1163
  Local Lodge 2766
- International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW)
  Local Nos. 148 and 887
- International Brotherhood of Electrical Workers AFL-CIO (IBEW)
  Local Nos. 271 and 2295 (hBNA, hMDC)
- International Brotherhood of Teamsters (IBT)
  Local Nos. 795, 848, 952, 986
- Society of Professional Engineering Employees in Aerospace (SPEEA)
  Wichita Engineering Unit (WEU)
- International Union of Operating Engineers (IUOE)
  Local 501w
- Airplane Manufacturing Pilot Association (AMPA)—New Represented

The following unions were scheduled to begin receiving the employer match in the Boeing Stock Fund effective as noted below. However, this change will not be implemented. Instead, these groups will continue to receive the employer match in cash:

- **October 1, 2012**
  - International Brotherhood of Teamsters (IBT)
    Local No. 6
- **January 1, 2013**
  - International Brotherhood of Teamsters (IBT)
    Local No. 610
  - International Association of Machinists and Aerospace Workers (IAM)
    District Lodge 725

**New Short-Term Investment Fund Manager**

JP Morgan Investment Management has been hired to manage the Short-Term Investment Fund for the VIP. This strategy will replace the current Demand Deposit Account at State Street Bank & Trust Company. Uninvested cash within each of the investment options in the VIP will be swept into the Short-Term Investment Fund on a daily basis. This Short-Term Investment Fund will be effective in the VIP late in the fourth quarter of 2012.
For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing Web:** Log on to my.boeing.com and click the TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMSID and your Boeing TotalAccess password. Click TotalAccess tab. In the top-right column, under Contact TotalAccess, click TotalAccess Online Form to submit questions.

- **By telephone:** Call Boeing TotalAccess at 1-866-473-2016. TTY/TDD services are available at 1-866-628-5803. You must have your BEMSID and Boeing TotalAccess password available when you call. When you are asked, “How may I help you today?” say, “I would like to speak with the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service representative. Service Center representatives are available weekdays between 8 a.m. and 8 p.m. Central time.

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Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Every effort has been made to provide accurate information in this *Update*. The information is for informational purposes only; it does not constitute a contract or contractual obligation. In the event of a conflict between this *Update* and the Boeing Company Voluntary Investment Plan document, the terms of the Boeing Company Voluntary Investment Plan document will control. Copies of the summary plan description may be obtained by contacting the Boeing Savings Service Center through Boeing TotalAccess.

Although the Company fully intends to continue the Plan described here, the Company reserves the right to change, modify, amend, or terminate any or all of the provisions of the Plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Savings Plan Changes

Participants in the Boeing Savings Plan

This Update summarizes plan changes that affect The Boeing Company Voluntary Investment Plan (Plan 002) (VIP), your savings plan, and updates your summary plan description. These changes will be effective December 12, 2014, unless otherwise noted.

This Update describes the merger of the 2015 Lifecycle Fund into the Lifecycle Retirement Fund and the addition of the 2055 Lifecycle Fund. This Update is for your information and is being provided to you as required by Federal law.

The VIP is intended to constitute a self-directed plan under Section 404(c) of the Employee Retirement Income Security Act of 1974, as amended (ERISA), and regulations under 29 U.S.C. Section 2550.404c-1. Accordingly, the fiduciaries of the VIP are relieved of liability for any losses that are the direct and necessary result of your investment instructions. This means you are responsible for your own investment decisions.

Changes to Lifecycle Fund Investment Options

Effective December 12, 2014, assets in the Lifecycle 2015 Fund will be merged into the Lifecycle Retirement Fund, and the Lifecycle 2015 Fund will no longer be an investment option in the VIP. If your VIP account is invested in the Lifecycle 2015 Fund, as of 4 p.m. Eastern time on December 11, 2014, your balance in this fund will be automatically transferred into the Lifecycle Retirement Fund. As a result, investment elections for future contributions to the Lifecycle 2015 Fund also will be changed to the Lifecycle Retirement Fund. The Lifecycle Retirement Fund is designed for people who are already at or near retirement, and it is the most conservative of the lifecycle funds.

If you do not want your Lifecycle 2015 Fund balance to automatically transfer to the Lifecycle Retirement Fund, you will need to transfer your Lifecycle 2015 Fund balance into another savings plan investment option of your choice before 4 p.m. Eastern time on December 11, 2014. And, if you do not want future contributions that would otherwise have been invested in the Lifecycle 2015 Fund to be made to the Lifecycle Retirement Fund, you will need to change this investment election for future contributions. Redemption fees may apply to any transfers made outside the redemption fee grace period indicated below.

Redemption Fee Grace Period. Normally, a 1.5 percent redemption fee would apply to all transfers out of the Lifecycle Retirement Fund, which are executed during the 15 full calendar days following a transfer into the fund. However, there will be a waiver of all redemption fees that would otherwise apply to all participants in the Lifecycle Retirement Fund for the period from December 12, 2014, through 4 p.m. Eastern time December 29, 2014.

Effective December 15, 2014, a new lifecycle fund, the Lifecycle 2055 Fund, will be offered in the VIP. Like the other lifecycle funds, the Lifecycle 2055 Fund is a diversified investment portfolio. The lifecycle funds with dates furthest in the future, such as the Lifecycle 2055 Fund, start out in the earlier years with the most aggressive investment mix—primarily focusing on stocks for long-term growth. As 2055 approaches, the investment strategy automatically adjusts to become more conservative, investing less in stocks and more in bonds. As the Lifecycle 2055 Fund reaches its target date, the fund will be merged into the Lifecycle Retirement Fund.

Please refer to the enclosed fund fact sheet for more information about the new Lifecycle 2055 Fund.
For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing web:** Log on to my.boeing.com and click the TotalAccess tab. In the top right column, click Contact TotalAccess, then click the Savings/401(k) button to submit questions.

- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMSID and your Boeing TotalAccess password. In the top right column, click the Contact TotalAccess tab, then click the Savings/401(k) button to submit questions.

- **By telephone:** Call Boeing TotalAccess at **1-866-473-2016**. You must have your BEMSID and Boeing TotalAccess password available when you call. When the system asks, “How may I help you today?” say, “I would like to speak to the savings department.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service associate. Hearing-impaired callers with a telephone typewriter can access TTY/TDD services at **1-866-628-5803**. Service center associates are available weekdays between 8 a.m. and 8 p.m. Central time.

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Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA). Every effort has been made to provide accurate information in this *Update*. The information is for informational purposes only; it does not constitute a contract or contractual obligation. In the event of a conflict between this *Update* and The Boeing Company Voluntary Investment Plan document, the terms of The Boeing Company Voluntary Investment Plan document will control. Copies of plan-related documents are available by written request through the “Contact TotalAccess” form on the Boeing TotalAccess website. Although The Boeing Company intends to continue the plan described here, the Company reserves the right to change, modify, amend, or terminate any or all of the provisions of the plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.
Summary of Savings Plan Changes

Participants in the VIP

This Update summarizes plan changes that affect your savings plan and updates your summary plan description. These changes generally take effect Jan. 5, 2015, unless otherwise noted.

This Update is for your information and is being provided to you as required by federal law. No action on your part is required. The changes described in this Update apply to The Boeing Company Voluntary Investment Plan (Plan 002) (VIP). The following changes occur in 2015:

- Eligible participants may begin electing to make Roth contributions to the VIP.
- The employer match formula for certain nonunion employees is changing.
- Eligible participants will be able to defer Management Incentive Plan (MIP) payments to the VIP.
- The service center name and website are changing.
- The Investment Advice program (including the Professional Management program) in the VIP is changing.
- Investment Advisor fees for the Online Advice service will no longer be charged.
- Certain employees who have funds from the McDonnell Douglas Helicopter Company Savings Plan for Salaried Employees (MDHC) will have an enhanced installment payment option.
- The VIP Stable Value Fund will be renamed and early loan payoff provisions will change.
- The mailing address for the plan trustee is changing.

Please carefully review the information in this Update for further details about all these changes.

The following section applies to all nonunion employees and employees represented by a union that has negotiated for this change (see page 2 for a list of affected unions).

Participants May Make Roth Contributions to the VIP

Beginning Jan. 5, 2015, eligible participants may elect to make Roth contributions to the plan. Roth contributions are contributed after federal income (and, if applicable, state) taxes are withheld. When withdrawn, the Roth contributions and any investment earnings are distributed income tax free, if certain requirements are met.

Investment earnings on Roth contributions will not be taxed when distributed, provided it is a qualified distribution. A distribution is considered qualified if the distribution is made at least five years after the first contribution and is either:

- On or after you reach age 59½, or
- On account of death or disability.

Eligible participants who contribute all or a portion of their incentive payments and make catch-up contributions may make these contributions on a Roth basis as well.

Any Roth contributions you make, except incentive payment deferrals and catch-up contributions, will be included in determining your matching contribution.

Participants eligible to contribute on a Roth basis may also roll over Roth contributions from another qualified employer plan. Roth IRAs are not eligible for rollover into the VIP.
Benefits Information (continued)

Although Roth contributions and associated investment earnings are not available for loan purposes, Roth contributions and associated investment earnings are included in determining the maximum amount available for a loan.

If a participant experiences a financial hardship and requests a hardship withdrawal of both regular pretax contributions and Roth contributions, the participant will need to submit only one hardship withdrawal application.

**The following unions are eligible to elect Roth contributions on or after Jan. 5, 2015:**

**International Union of Operating Engineers (IUOE)**
- Local 286W Welders, Washington
- Local 286 Operating Engineers, Washington
- Local 501 Weldors, California

**International Union of Security, Police and Fire Professionals of America (SPFPA)**
- Local 5 Guards & Firefighters, Washington
- Local 2 Guards, Portland, Oregon
- Local 159, Huntington Beach, California

**International Brotherhood of Teamsters (IBT)**
- Local 174, Washington
- Local 795, Wichita
- Local 848, Truck Drivers, California
- Local 952, Truck Drivers, California
- Local 986, Truck Drivers California
- (F&O), Local 6, St. Louis, Missouri
- Local 610, St. Louis, Missouri

**International Association of Firefighters AFL-CIO IAFF)**
- Local I-17 Firefighters, Pennsylvania
- Local I-66, Washington, Wichita, Kansas
- Local I-66, Firefighters, Long Beach, California
- Local I-66, St. Louis, Missouri

**International Association of Machinists and Aerospace Workers (IAM)**
- District Lodge 75, Lodge 2766, Space and Rocket City, Huntsville, Alabama
- District Lodge 725, Aeronautical Industrial, Huntington Beach, California
- District Lodges 837A, 837B, St. Louis, Missouri
- District Lodge 1163, Kennedy Space Center
- District Lodge 75, Local 449, Tyndall Air Force Base, F-15/16 program
- District Lodge 4, Local 2503, South Burlington, Vermont, F-16 USAF Aircrew Training program
- District Lodge 75, Local 50, Columbus Air Force Base, Mississippi, T-38 program
- District Lodge 110, Local 2296, Seymour Johnson Air Force Base, F-15 TDAS program
- District Lodge W-1, Local W-12, Kingsley Air Force Base, F-15 USAF Flight Simulator Maintenance program
District Lodge 171, Local 898, Vance Air Force Base, T-38 program
District Lodge 776, Local 2341, Laughlin Air Force Base, Local 2771, Sheppard Air Force Base, Local 36, Randolph Air Force Base, Local 776A, Naval Air Station, Patuxent River, Maryland

Society of Professional Engineering Employees Association (SPEEA)
  Wichita Engineering Unit

Society of Professional Engineering Employees Association Pilot Instructors Unit (SPIU)

United Auto Workers (UAW)
  Local 148 FEP Hourly West Coast Union
  Local 148, Long Beach, California
  Local 887, All locations
  Local 1069, Philadelphia

International Brotherhood of Electrical Workers (IBEW)
  Local 1, St. Louis/St. Charles
  Local 2295, California

East Coast Aircrew Training Group (ECATG), Langley Air Force Base, F-15/16 program

Electronic & Space Technicians Local 1553

**Change to Employer Match for Certain Nonunion Employees**

If you are a nonunion* employee who was hired or rehired on or after Jan. 1, 2009, who currently is eligible to receive a matching contribution of 100 percent of the first 4 percent of base pay and 50 percent of the next 4 percent of base pay contributed to the plan, this match formula will change effective with your first paycheck in January 2015. The employer matching contribution will change to 75 percent of the first 8 percent of base pay contributed to the plan to align with other nonunion Boeing employees’ employer match formula. The company will continue to contribute 6 percent of your base pay as long as you are contributing at least 8 percent of your base pay to the plan. Your employer matching contributions will continue to be made each pay period you are contributing and will be 100 percent vested immediately.

*The matching contribution is not changing for Jeppesen employees.

**Managers Will Have the Option to Defer Management Incentive Plan (MIP) Payments to the VIP**

Beginning in the first quarter of 2015, managers who receive an award payment from the MIP (if any) will have the option to defer their award payment into their VIP account on a pretax or Roth basis. Managers who receive a MIP payment and want to defer all or part of their incentive payment must make this separate election at least two weeks before the scheduled incentive payout date of March 6. Incentive payment deferrals to the VIP are not eligible for company matching contributions, but do give eligible participants the opportunity to save more in their VIP accounts on a pretax or Roth basis. This option does not apply to executive level managers. MIP deferrals are not matched by the company.

A similar option is already available for employees who participate in other eligible incentive plans, such as the Employee Incentive Plan.
Change to Service Center Name and Website

In connection with the change in savings plan recordkeepers from Voya Financial* to Xerox Business Solutions, LLC, effective Jan. 5, 2015, we are changing the service center name and website name.

The name of the service center, currently known as the Boeing Savings Service Center, will change to the Boeing Retirement Service Center. The new name of the website, currently referred to as Boeing Savings Plans Online, will be known as “My Retirement Income.” Accessing this website will be available through My Retirement Benefits on TotalAccess, which will replace My Savings & Pension. These name changes reflect the consolidation of the Savings and Pension administrative services with Xerox.

*The current VIP recordkeeper changed names from ING to Voya on Sept. 1, 2014.

Changes to Investment Advice Program in the VIP

New enrollments in the Professional Management program (formerly known as Professional Account Manager program) were suspended beginning Nov. 13, 2014, and will be reinstated on Jan. 9, 2015. Although the Investment Advisor services will essentially stay the same, on Jan. 5, 2015, the names of the advisers will change:

- Investment Advisor services, currently provided by Voya Retirement Advisors, LLC, will be provided by Financial Engines Advisors, L.L.C.
- Your Voya Retirement Advisor Representative will be replaced by a Financial Engines Investment Advisor.

Effective Sept. 1, 2014, when ING’s name changed to Voya, the investment advice programs changed as follows:

- The Professional Account Manager program name changed to Professional Management.
- The Personal Online Advisor program name changed to Online Advice.

Participants enrolled in Voya’s Professional Management program will receive a letter from Financial Engines before the end of the year providing more details about the transition of these services in January 2015.

Change to Investment Advisor Fees

Most eligible participants* currently pay a $0.50 per month fee for Online Advice (formerly Personal Online Advisor), whether this service is used or not. Effective Jan. 1, 2015, this fee will no longer be charged to participants’ accounts.

The Professional Management fee, which is charged to VIP accounts of participants who have elected to have an Investment Advisor manage their investments on their behalf, continues to apply. The fees for this service will not change. However, beginning in 2015, the fees that are currently charged to your account on a monthly basis will be charged quarterly, with the first-quarter 2015 fee being charged to VIP accounts later in April 2015.

*You are eligible if you are a nonunion employee or a union-represented employee of a union that has negotiated for this service.
Benefits Information (continued)

Change to Installment Payment Options for Participants With Accounts Originating From the McDonnell Douglas Helicopter Company Savings Plan for Salaried Employees (“MDHC”) Plan

Currently, if you are a participant with a VIP account that contains funds from the MDHC plan that merged into the McDonnell Douglas Corporation — Salaried Savings Plan on Dec. 29, 1986, which then merged into the VIP on Oct. 26, 1998, and you leave the company, your distribution options include an installment payment option in five- or 10-year annual installments. Your beneficiary may also elect to receive installments in five annual installments.

Effective Jan. 5, 2015, participants with money from the MDHC plan in their VIP accounts will have additional installment payment options if their account balance is more than $1,000 on or after termination. These participants may elect a fixed dollar installment payment or period certain installment payment from one to 10 years to be paid monthly, quarterly, semi-annually or annually.

The following changes apply to all participants in the VIP.

VIP Stable Value Fund Name Change

Effective Jan. 1, 2015, the VIP Stable Value Fund will be renamed the Stable Value Fund. The fund is not changing; it continues to seek to provide capital preservation and a reasonably stable return. You do not need to take any action if you are currently invested in this fund.

Change to Early Loan Payoffs

Effective Jan. 5, 2015, the early payoff terms for VIP loans are changing. Participants who choose to pay their VIP loan off early will no longer be charged an additional month of interest (the additional month of interest is currently provided for by the promissory note for all outstanding loans). Instructions to submit your loan payoff will be included on the My Retirement Income website or will be available by calling the Boeing Retirement Service Center.

Change to Plan Trustee Mailing Address

The plan trustee address will be changing effective Jan. 5, 2015, to:

State Street Bank and Trust Company  
c/o Xerox Business Solutions, LLC  
Boeing Retirement Service Center  
P.O. Box 199404  
Dallas TX 75219-9404
For More Information

Contact the Boeing Savings Service Center through Boeing TotalAccess.

- **On the Boeing web:** Log on to [my.boeing.com](http://my.boeing.com).
  - Click the TotalAccess tab at the top of the page, then select My Savings & Pension; at the next page, click Retirement Savings Plans, then click Boeing Savings Plans Online.

- **On the World Wide Web:** Log on to [www.boeing.com/express](http://www.boeing.com/express) using your BEMSID and TotalAccess password.
  - Select My Savings & Pension; at the next page, click Retirement Savings Plans, then click Boeing Savings Plans Online.

- **By telephone:** Call Boeing TotalAccess at **1-866-473-2016**. You must have your BEMSID and TotalAccess password available when you call. When the system asks, “Briefly tell me, how can I help you today?” say, “Savings.” Once you are in the Boeing Savings Service Center, press zero to be transferred to a customer service associate. Hearing-impaired callers should use the relay service offered through their telephone service provider. Service center associates are available weekdays between 8 a.m. and 8 p.m. Central time.

**For More Information On or After Jan. 5, 2015:**

**On the Boeing web and on the World Wide Web:** How you access your account online does not change, but My Savings & Pension will change to My Retirement Benefits, and Boeing Savings Plans Online will change to My Retirement Income.

**By telephone:** How you access your account by telephone does not change, but the Boeing Savings Service Center name will change to the Boeing Retirement Service Center.

### Plan Amendment Information

This *Update* is a summary of material modifications to your summary plan description for The Boeing Company Voluntary Investment Plan (Plan 002).

This document is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended (ERISA). Every effort has been made to provide accurate information in this *Update*. The information is for informational purposes only; it does not constitute a contract or contractual obligation. In the event of a conflict between this *Update* and The Boeing Company Voluntary Investment Plan document, the terms of The Boeing Company Voluntary Investment Plan document will control. Copies of plan-related documents are available by written request through the “Contact TotalAccess” form on the Boeing TotalAccess website. Although The Boeing Company intends to continue the plan described here, the Company reserves the right to change, modify, amend, and/or terminate any or all of the provisions of the plan at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.