

Your Benefits Program

Alteon – South Korea

Locally Hired Employees

***People working together as a global
enterprise for aerospace leadership***

This vision unifies Boeing employees around the world. Regardless of where you live and work, you contribute to the Company's future growth and success.

Alteon-South Korea is pleased to offer you the new Employee Benefits program providing competitive and tax-effective medical, life and disability benefits effective 1 December 2004.

We seek to provide a competitive, beneficial program for you and your dependents to supplement the State benefit provisions, including the National Pension Scheme.

This brochure summarizes the new Alteon-South Korea Benefits Plan. Every effort has been made to provide accurate information, but in the event of a conflict between this brochure and the official documentation, the terms of the official documentation will prevail.

In addition, this brochure has been translated from the original Korean. While every effort has been made to provide an accurate translation, conflicts and ambiguities in translation do sometimes arise. In the event of such a conflict or ambiguity, the official plan documentation will control.

This brochure describes certain benefits Alteon-South Korea will provide to eligible employees effective 1 December 2004. Employees have no contractual right to the benefits described in this brochure, and Alteon-South Korea retains the right at any time at its sole discretion to cease to provide, vary or replace some or all of the benefits provided by it, without any liability for paying additional compensation to employees who were receiving them.

MEDICAL PLAN

Who can participate?

(Co-) insureds may include:

- Employees
- Spouse
- Children

What coverage is offered?

Coverage offered includes:

- Nursing Care for hospitalization due to accident or illness up to KRW 30,000 per day up to 330 days during a year;
- Hospitalization due to accident or illness includes 100% of inpatient charges up to KRW 10,000,000 per each case;
- Hospitalization for childbirth (hospital visit for maternity or medical check is not covered); and
- Outpatient care due to accident or illness up to KRW 50,000 per day subject to KRW 5,000 daily deductible.

How much does it cost?

Alteon-South Korea currently pays 100% of the premium for employees and dependents for the Kyobo Life package.

What coverage is excluded?

Any medical care not for required treatment. Plastic surgery, tonic medicine, Chinese medicines, dental visits, etc., are excluded from the medical benefits. Please see the Kyobo Life Employee Communication Handout for further details or contact a Kyobo representative.

LIFE INSURANCE PLAN

What are the life insurance benefits?

- **Accidental Death**
If the insured dies by accident, the insurer pays the Accidental Death Benefit to the Beneficiary or the heir of the insured.
- **Ordinary Death**
If the insured dies or becomes disabled in the 1st degree other than as the result of accident, the insurer pays the Ordinary Death Benefit to the Beneficiary or the heir of the insured.

What is the benefit amount payable to the beneficiary or heir?

The Accidental Death Benefit is three times the employee's annual salary. The Ordinary Death Benefit is two times the employee's annual salary.

How much do the life insurance benefits cost?

Alteon–South Korea currently pays 100% of the premium for the life insurance benefits.

ACCIDENTAL DISABILITY PLAN

What are the benefits in case of disability?

If an employee becomes disabled due to accidental causes, the plan will provide disability benefits according to the degree of disability as listed in the table below:

Degree of disability	Disability examples (not an inclusive list)	Annual Salary x
1 st degree	Loss of sight in both eyes; loss of arms above elbow; state of hemiplegia	100%
2 nd degree	Loss of sight in one eye; loss of both arms above wrist; loss of both legs above ankle	70%
3 rd degree	Inability to work due to severe mental disorder; loss of fingers on both hands	50%
4 th degree	Loss of hearing in both ears; loss of one arm above elbow; loss of use of ten fingers	30%
5 th degree	Loss of one arm above wrist; loss of one leg above ankle	15%
6 th degree	Partial loss of one leg; total and permanent loss of thumb or index finger on either hand	10%

How much does the disability insurance cost?

Alteon–South Korea currently pays 100% of the premium for accidental disability benefits.

WHAT HAPPENS IF I LEAVE ALTEON?

All benefits provided under this plan will be terminated when employment with the Company ends. However, medical and disability claims may be made after leaving the Company if the claim was incurred during the employment period.

WHERE CAN I FIND ADDITIONAL INFORMATION?

For additional information, contact the Kyobo Call Center (without local number) 1588-1001 or visit the Kyobo web site at www.kyobo.co.kr or <http://www.kyobo.co.kr/english/main.html>.

If you need additional assistance after contacting the Kyobo Call Center, do not hesitate to contact Kyobo Life representatives listed below.

Hyeryung Kim
Phone: 82-2-721-2334
Fax: 82-2-721-3298
E-mail: neokhr@kyobo.co.kr

Myunghoon Jo
Phone: 82-2-721-2329
E-mail: insurance@kyobo.co.kr

HOW DO I MAKE A CLAIM?

The beneficiary must contact Kyobo Life within two years of incurring the claim or death of the insured. Upon completion of all required applications and forms, Kyobo Life will pay the benefit amount to beneficiary within three days. In the event the insurer must investigate the claim, benefits will be paid within ten days. If benefits are paid after this due date, the benefit amount plus interest will be paid to the beneficiary.

Please contact the representatives above for claim applications and procedure details.

ABOUT KYOBO LIFE INSURANCE COMPANY

Kyobo Life Insurance Company is one of the most respected business entities in Korea. Since 1958, Kyobo Life has been leading in the individual and group insurance industry, winning Grand Prize of Customer Satisfaction Awards four times in a row. Kyobo is currently ranked 15th among Asian life insurers in terms of assets as of March 31, 2003, with total assets of approximately W30 trillion, some 11 million policies in force and over 4,200 employees.

For additional information, please visit the Kyobo web site at www.kyobo.co.kr.

QUESTIONS?

If you have further questions, please contact your local Human Resources representative at soo-mi.hong@alteontraining.com or 82 (0) 2 773 1803.