Frequently Asked Questions
for the Voluntary Separation Program

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GENERAL QUESTIONS

1. Q. What is the Voluntary Separation Program?
   A. Eligible employees represented by IAM 837 who meet the eligibility requirements and voluntarily terminate employment with the Company during the Window Period in accordance with the procedures established by the Company are eligible for certain benefits. See below for a discussion of the benefits provided under the Program.

2. Q. What is the Window Period?
   A. The Window Period is a one year period of time in which the employee must voluntarily terminate employment and, if eligible, immediately commence a pension benefit. The Window Period is between Sept. 30, 2014 and Sept. 30, 2015.

3. Q. Why is there a set time period for this program?
   A. The Voluntary Separation Program is intended to make certain temporary changes to the pension plan. One year and 1 day is the time period agreed to by the Company and IAM 837.
4. Q. I'm not eligible on Sept. 30, 2014, but I will be during the one year Window Period. Can I participate?
   A. Yes, if you meet the eligibility criteria by Sept. 30, 2015 (with an Oct. 1, 2015 Benefit Commencement Date) you can participate. You must sign up for the Program during the enrollment period.

5. Q. Will the Window Period be extended?
   A. No.

6. Q. When do I have the opportunity to indicate that I want to participate?
   A. There is an enrollment period between May 12, 2014 and July 31, 2014. Employees who want to participate in the program will need to sign up through TotalAccess during this period. This is the only time period, and the only method, by which a person can indicate his or her wish to participate in this program.

7. Q. How do I know if this is a good deal for me?
   A. You are in the best position to determine if this program is right for you. The Company will host employee information sessions about the Voluntary Separation Program.

8. Why can't you just change the multiplier to $91 for everyone now?
   A. The Company and the union are required to abide by all terms of the collective bargaining agreement. The multiplier will increase to $91 effective July 1, 2015 for employees who are not part of this program.

9. Q. Will I receive a history book on The Boeing Company and an informal congratulatory/appreciation certificate if I retire under the conditions of the Voluntary Separation Plan for IAM 837?
   A. Yes. A step in the registration will allow you to request the book and certificate and you will have the option to have it mailed to your address on record or to your manager’s office location. In addition, if your termination date is within 90 days of a service anniversary, you will also receive your service anniversary gift.
10. Q. Are benefits in another company-sponsored pension plan affected by this program?
   A. No, however, you need to review the retirement eligibility criteria for each of the plans you have a vested benefit in as some plans’ earliest retirement age is 55.

11. Q. Where can I find my years of completed Company Service and Aggregate Benefit Service?
    A. To find:
       - **Company Service** can be found in 'My Boeing - My Profile' through TotalAccess. **Company Service** is as of the date being viewed through My Profile.
       - For **Aggregate Benefit Service**, this is generally the sum of your **Benefit Service** earned under the Hourly East Plan, the Hourly West Plan and the Pension Value Plan. You can locate a current balance(s) of your **Benefit Service** on Boeing Pension Plans Online by clicking on “View My Pension Plan Data”.
       - For additional pension assistance, you can 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. When prompted for your reason for calling say “pension”. Customer service representatives generally are available during regular business hours.
       - Please understand that the program eligibility requirement is based on the amount of completed years of **Company Service** and **Aggregate Benefit Service** on the date of termination.

12. Q. Where can I find information about the Employee Retirement Income Plan – Hourly East?
    A. For detailed information, please see the Employee Retirement Income - Hourly East Summary Plan Description (SPD).

ELIGIBILITY

13. Who is eligible to participate in the Voluntary Separation Program?
    A. This program is open to all IAM 837 represented employees who meet the following criteria:
       - On the active payroll of the Company or on an approved leave of absence on Sept. 29, 2014.
       - Represented by the IAM Local 837 on Sept. 29, 2014.
       - Sign up for participation between May 12, 2014 and July 31, 2014 using the process established by the Company through TotalAccess.

Every effort has been made to provide accurate information in this document. The material provided here about Company policies, procedures, and benefits is for informational purposes only; it does not constitute a contract or contractual obligation. Certain eligibility provisions apply to each of the plans, policies, and benefits; not all of these provisions are described here. In the event of a conflict between this document and any of the benefit plans, the terms of the plans will control. The Boeing Company reserves the right to change, modify, amend, or terminate any of the plans described here at any time and for any reason for employees, former employees, retirees, and their dependents.
Within the **Window Period** (Sept. 30, 2014 – Sept. 30, 2015) have at least 25 years of completed **Company Service** or be eligible to commence a normal, early, late or disability pension benefit under the Employee Retirement Income Plan – Hourly East.

- Terminate employment between Sept. 30, 2014 and Sept. 30, 2015 and commence pension benefits the first of the month following his or her termination date.*

- Sign the Company’s Release and Waiver Agreement, execute the employee acknowledgement letter and comply with all other terms of the Program.

- Not receiving benefits under any of the Company’s voluntary layoff programs.

Note: Retiree Medical requires that you are age 55 with 15 years of **Vesting Service** or age 50 and older with 25 or more years of **Aggregate Benefit Service** at the time of termination.

*If you have 25 or more years of completed **Company Service** but will not yet be eligible for normal, early, late or disability retirement during the **Window Period**, you are still eligible to participate in the Program. Your program benefit will be limited to the $5,000 lump sum payment (less applicable withholding).

14. Q. **Is there a limit to the number of people who can participate?**
   A. No. Everyone that meets the Program eligibility criteria and complies with the process established by the Company may participate.

15. Q. **Can I participate if I’m currently on leave of absence?**
   A. Yes. However, you must comply with the process established by the Company.

16. Q. **What happens if I sign up, but happen to be on leave of absence on Sept. 29, 2014?**
   A. An employee on an approved LOA will be considered the same as an active employee on Sept. 29, 2014.

17. Q. **I am over 70 ½ and receiving a pension benefit. Can I participate in this program?**
   A. Yes you may participate. However, special rules apply to the calculation of benefits already in pay under Minimum Required Distribution rules. Contact the Pension Service Center through TotalAccess for more information on your benefit.
18. Q. Is seniority used to determine eligibility and benefits?
   A. No. The eligibility and benefits for this program are not seniority based.

PROGRAM RULES AND PARAMETERS

19. Q. What are the terms of the Program?
   A. To participate in the program, an employee is required to:
      ▪ Volunteer and enroll in the program during the enrollment period via the process established thru TotalAccess.
      ▪ Sign the Company’s Release and Waiver Agreement.
      ▪ Sign and return the employee acknowledgment letter within ten (10) calendar days of receipt.
      ▪ Voluntarily separate employment on the date designated by the Company.

20. Q. Will I still get to choose my termination and pension benefit commencement dates within that window?
   B. The Company must continue to meet its customer commitments. Managers will work with employees to determine a date that meets business needs and will try to accommodate the employees requested termination date as close as possible. However, the Company has sole discretion to set the termination date within the Window Period. All employees must terminate by Sept. 30, 2015 in order to receive the Program benefits. Employees eligible for normal, early, late or disability retirement also must commence pension benefits by the first of the month following termination in order to receive the enhanced pension benefits.

21. Q. What is the benefit to the employee who voluntarily terminates and commences pension the first of the month following termination under this program?
   A. The benefit is as follows:
      ▪ A $5,000 lump sum payment (less applicable withholding).
      ▪ The Basic Benefit Rate of $91 will be used in the pension benefit calculation under the Employee Retirement Income Plan – Hourly East (“Hourly East”) for Benefit Service earned while represented by IAM 837.
      ▪ The employee’s years of Benefit Service used to determine his or her accrued pension benefit under Hourly East will be increased by 4 years. For example, if an employee currently has 20 years of Benefit Service the employee will be treated as if he or she...
has 24 years of **Benefit Service** multiplied by the Basic Benefit Rate of $91. The employee’s years of **Benefit Service** will not be increased for any other purpose.

- If the employee is at least age 50, but not yet age 62, and has 25 or more years of **Aggregate Benefit Service** as of his or her employment termination date, the employee can receive an immediate, unreduced early retirement benefit under the Hourly East if the **Benefit Commencement Date** is the 1st of the month following termination.

- Additionally, if the employee is at least age 50, but not yet age 62, and has 25 or more years of **Aggregate Benefit Service** as of his or her employment termination date, he or she will be eligible to receive an Early Retirement Supplement (ERS) of $550 per month payable to age 62, the date the employee dies or is re-employed by the Company.

22. Q. What is the benefit to the employee who voluntarily terminates and commences pension the 1st of the month following termination, but is not in the category of age 50 to 62 with at least 25 years of **Aggregate Benefit Service** on his or her termination date?

   A. The benefit will be as follows:
   
   - A $5,000 lump sum payment (less applicable withholding).
   - A Basic Benefit Rate of $91 will be used in the benefit calculation under Hourly East for **Benefit Service** earned while represented by IAM 837.
   - The employee’s years of **Benefit Service** used to determine his or her accrued benefit under the Hourly East will be his or her actual **Benefit Service** increased by 4 years. The employee’s years of **Benefit Service** will not be increased for any other purpose.
   - All other provisions of Hourly East continue to apply. If the employee is at least age 60, but not yet age 62, has accumulated 20 or more years of **Aggregate Benefit Service** and does not receive the Early Retirement Supplement, he or she may qualify for the Level Income Special Allowance (LISA) of $550 per month payable to age 62, the date the employee dies or is re-employed by the Company, or the date that the employee first becomes eligible under the Social Security Act for disability.

23. Q. What does an employee receives if the terminate voluntarily and does not commence pension during the Window Period?

   A. A $5,000 lump sum payment (less applicable withholding).
Note: If the employee is eligible to commence a pension benefit but does not elect to commence the 1st of the month following termination, he or she will become eligible for a deferred vested benefit with deferred vested reduction factors and would not qualify for ERS or LISA.

24. Q. What happens if I don’t return my pension commencement packet in the required timeframe?
   A. The pension commencement packet is the employee’s official request to start a pension benefit. It must be completed and returned prior to the planned Benefit Commencement Date to receive the enhanced benefit under the program. Returning the packet after the Benefit Commencement Date will result in a Deferred Vested Benefit Commencement Date.

25. Q. I signed up for the Program during the enrollment period. Is there anything else that I need to do?
   A. Yes. Discuss your termination date with your manager. You must also (1) request, (2) complete, and (3) return your pension benefit commencement packet to the Pension Service Center prior to your Benefit Commencement Date. You must also sign and return the Release and Waiver Agreement prior to your termination date and the employee acknowledgement letter within 10 calendar days of receipt.

26. Q. What if I don’t agree with my approved termination date?
   A. The Company will make every effort to accommodate your desired termination date while being able to meet its business needs. If business needs change there may be an opportunity to change the approved termination date.

27. Q. Is TotalAccess the only way to sign up for this program?
   A. Yes. The program will only be available to employees who have signed up through the process established through TotalAccess.

28. Q. I signed up during the enrollment period, can I change my mind and keep working?
   A. Yes, you can withdraw your name from the program; however, if an employee removes his or her name, program benefits will not apply if the employee voluntarily terminates or is laid off from the Company during the Window Period.
29. Q. If I plan to terminate employment on or after Sept. 30, 2014, why does my enrollment need to be submitted so early (May 12, 2014, to the July 31, 2014 program deadline)?
   A. The enrollment must be completed between May 12, 2014 and July 31, 2014 to give managers time to plan for business needs and to make every effort to establish a retirement date that works for both the company and the employee.

30. Q. When will the $5,000 bonus be paid?
   A. The $5,000 separation bonus will be paid on the employee’s last pay check following termination.

31. Q. What is the Boeing employment impact to the employee?
   A. The employee’s employment status will be as follows:
      ▪ The employee will be coded as a voluntary resignation from the Company.
      ▪ The employee forfeits all seniority recall rights.
      ▪ The Company will report the employee’s termination as a voluntarily termination without recall for purposes of reporting to state employment security departments (for unemployment benefits).
      ▪ The employee’s termination date will be established by the Company between Sept. 30, 2014 and Sept. 30, 2015.

32. Q. Will the $91 multiplier apply to benefits earned under the Employee Retirement Income Plan – Hourly East as a member of another union?
   A. No. The $91 multiplier will apply only to the Benefit Service earned while represented by IAM 837.

33. Q. What if I don’t sign up, but decide I want to participate during that window?
   A. To participate in the program, employees must sign up during the designated time period between May 12, 2014 and July 31, 2014 in accordance with the procedures established by the Company. There are no exceptions.
VOLUNTARY SEPARATION AND RETIREMENT

34. Q. What can I do if I’m eligible and want to participate in this program but have already requested a pension benefit commencement packet?
A. Follow these steps:
   - Contact the Pension Service Center through TotalAccess to cancel your pending Benefit Commencement Date.
   - Also, contact your HRG or manager to cancel any pending termination transaction.
   - You then may sign up for this program between May 12, 2014 and July 31, 2014. Following sign-up and discussion with your manager, a new termination date under the terms of the Program will be set. To take full advantage of your pension benefits, the pension Benefit Commencement Date must be the first of the month following termination.

35. Q. When and how do I request a pension benefit commencement packet?
A. You may request a pension benefit commencement packet as early as 90 days prior to your planned Benefit Commencement Date but no later than the 20th of the month before your planned Benefit Commencement Date.
   
   For example, your planned Benefit Commencement Date is Nov. 1, 2014. You can request the pension benefit commencement packet as early as Aug. 4, 2014 but no later than Oct. 20, 2014. Request your pension benefit commencement packet online at Boeing Pension Plans Online or by contacting the Pension Service Center through TotalAccess.

36. Q. If I also have pension benefits in another company-sponsored pension plan, am I required to commence the benefits from my other retirement plan when I commence my Employee Retirement Income Plan – Hourly East at the same time?
A. No, you do not have to commence your other pension plan benefits at the same time; however, you may want to check the early retirement eligibility for that plan to determine how your decision will impact that plan.

37. Q. If I also have participated in the Employee Retirement Income Plan – Hourly East, but with a different union, must I also commence the pension benefit I earned under the other union?
A. Yes. All benefits earned as a participant in the Employee Retirement Income Plan – Hourly East must commence at the same time.

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GLOSSARY

Aggregate Benefit Service

In general, your aggregate benefit service equals your years of Benefit Service accrued under the Hourly East Plan, the Hourly West Plan, the Pension Value Plan (which includes Benefit Service under the former MDC Salaried and MDHC Plans), as well as service in the former MDC Defined Contribution Plans. Your eligibility for 50/25 early retirement, and certain early retirement supplements is based on your “aggregate benefit service.”

Benefit Service

It is the number of years you have actively participated in the Hourly East Plan and is measured in weeks. Benefit service is part of the formula used to calculate the amount of your pension.

Benefit Commencement Date

The date when you elect to start your pension benefit. The benefit commencement date is always the first of the month and may be as early as the first of the month following termination.

Company Service

Procedure PRO-100, as amended from time to time, defines Company Service. In general, it is an employee’s total completed years of employment at The Boeing Company including the first 90 calendar days of any approved leave of absence. Company Service is used to determine vacation accrual and service awards as well as eligibility for this VSP.

Deferred Vested

If you are vested and terminate from the Company, prior to becoming eligible to start your pension or if eligible to start your pension and do not elect early retirement by the first day of the month following termination, you will have a deferred vested benefit. You will not be eligible for any Early Retirement Supplement or Level Income Special Allowance. Your pension benefit will be calculated using much greater deferred vested reduction factors than if you had elected early retirement.

Enrollment Period

The period of time between May 12, 2014 and July 31, 2014, when eligible IAM 837 represented employees may volunteer and sign up through TotalAccess to take advantage of the Voluntary Separation Program.

Vesting Service
Vesting Service is used to determine whether you are eligible to receive benefits. This is known as becoming “vested.” Once you become vested (generally, after earning 5 years of vesting service), you have a nonforfeitable right to receive the benefits you have earned under the Hourly East Plan. You earn one year of vesting service for each calendar year in which you completed at least 1000 hours of vesting service.

Window Period

The period of time from Sept. 30, 2014 through Sept. 30, 2015, when IAM 837 represented employees may take advantage of the Voluntary Separation Program and will voluntarily terminate employment with the Company in order to receive the special benefits offered under this program.