



**COLLECTIVE  
BARGAINING  
AGREEMENT**



**COLLECTIVE BARGAINING AGREEMENT**

**BETWEEN**

**THE BOEING COMPANY**

**and**

**INTERNATIONAL ASSOCIATION OF  
MACHINISTS  
AND AEROSPACE WORKERS, AFL-CIO**

**and**

**CERTAIN DISTRICTS AND LOCAL LODGES  
THEREOF**

**Term: September 13, 2024 through September 7, 2028**

**Printed by**

# TABLE OF CONTENTS

		Page
1		
2		
3	<b>ARTICLE 1 – UNION REPRESENTATION .....</b>	7
4	1.1 Units Covered .....	7
5	1.2 Employees Assigned Away From Primary Location - Unit	
6	Identification .....	9
7	1.3 Union Jurisdictional Claims - Settlement of .....	10
8	<b>ARTICLE 2 - RIGHTS OF MANAGEMENT .....</b>	11
9	2.1 Management of Company .....	11
10	<b>ARTICLE 3 - UNION SECURITY .....</b>	11
11	3.1 Union Membership .....	11
12	3.2 Maintenance of Membership .....	11
13	3.3 Satisfaction of Obligation .....	11
14	3.4 Failure to Satisfy Obligation .....	11
15	3.5 Explanation to Employees .....	12
16	3.6 Remote Locations .....	12
17	3.7 Right to Work States .....	12
18	3.8 Payroll Deduction for Union Dues and Initiation Fee .....	12
19	3.9 Contributions to Machinists' Nonpartisan Political League .....	13
20	3.10 Contributions to Guide Dogs of America .....	13
21	3.11 Indemnity .....	13
22	<b>ARTICLE 4 - UNION REPRESENTATIVES AND</b>	
23	<b>UNION ACTIVITY .....</b>	13
24	4.1 Union to Furnish List of Representatives .....	13
25	4.2 Bulletin Boards .....	13
26	4.3 Business Representatives - Access to Plants .....	14
27	4.4 Grand Lodge Representatives - Access to Plants .....	14
28	4.5 Conditions Relating to Access to Plants .....	14
29	4.6 Union Activity During Working Hours .....	15
30	4.7 Stewards .....	15
31	4.8 Departure from Work Assignment by Stewards to	
32	Investigate Complaints or Claims of Grievance .....	16
33	4.9 Departure from Work for Union Business .....	17
34	4.10 Security Clearances .....	17
35	<b>ARTICLE 5 - WORKWEEK, HOURS OF WORK, SHIFTS .....</b>	18
36	5.1 Workweek .....	18
37	5.2 Short Workweek .....	18
38	5.3 Shifts; Lunch Periods; Rest Periods .....	18
39	5.4 Shift Preference .....	19
40	<b>ARTICLE 6 - RATES OF PAY .....</b>	20
41	6.1 Definitions .....	20
42	6.2 Base Rates .....	21
43	6.3 Base Rate Changes .....	22
44	6.4 Cost of Living Adjustment .....	25

		<b>Page</b>
1		
2	6.5	Shift Differentials, Non-regular Workweek Premium
3		Third Shift Bonus ..... 27
4	6.6	Jury Duty, Witness Duty, Military Leave, Bereavement Leave.... 27
5	6.7	Garnishments ..... 29
6	6.8	Paydays..... 29
7	6.9	Report Time..... 29
8	6.10	Overtime ..... 30
9	6.11	Wage Payment Basis ..... 33
10	6.12	New Assignments ..... 33
11	6.13	Pay Additives..... 33
12	<b>ARTICLE 7 - HOLIDAYS ..... 35</b>	
13	7.1	Dates on Which Observed ..... 35
14	7.2	Unworked Holidays ..... 37
15	7.3	Worked Holidays ..... 38
16	7.4	Holidays During Vacation ..... 38
17	7.5	Employees on Non-regular Workweek ..... 38
18	7.6	Employees Prevented from Working Because of Local Holidays 38
19	7.7	Employees on Third Shift ..... 38
20	<b>ARTICLE 8 - VACATION, SICK LEAVE,</b>	
21	<b>FINANCIAL SECURITY PLAN..... 39</b>	
22	8.1	General Description of Credit..... 39
23	8.2	Computation of Credit ..... 39
24	8.3	Eligibility to Use Credit..... 40
25	8.4	Use of Credit..... 40
26	8.5	Financial Security Plan ..... 44
27	<b>ARTICLE 9 – 401(k) Plan ..... 44</b>	
28	9.1	Continuation of Plan ..... 44
29	9.2	Approval of Plan..... 44
30	9.3	Continuation Beyond Agreement ..... 45
31	9.4	Plan Updates ..... 45
32	9.5	Company Matching Contributions..... 45
33	9.6	Current Plan ..... 45
34	9.7	Required Plan Amendments ..... 47
35	9.8	Participant Elective Contributions Not Applicable For
36		Other Purposes..... 47
37	<b>ARTICLE 10 - RETIREMENT PLAN..... 48</b>	
38	10.1	Continuation of Plan ..... 48
39	10.2	Approval of Plan..... 48
40	10.3	Continuation Beyond Agreement ..... 48
41	10.4	Grievances as to the Plan ..... 48
42	10.5	Benefits ..... 48
43	10.6	Changes to the Current Plan ..... 49
44	10.7	Administration of the Retirement Plan ..... 51
45	10.8	Retirement Benefits for Employees in the Portland Unit..... 51
46	10.9	Future Hires ..... 52

	<b>Page</b>
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	
32	
33	
34	
35	
36	
37	
38	
39	
40	
41	
42	
43	
44	
45	

10.10	Pension Accruals to Cease.....	53
<b>ARTICLE 11 - GROUP BENEFITS.....</b>		<b>54</b>
11.1	Type of Group Benefits Program for Employees on the Active Payroll.....	54
11.2	Cost of the Group Benefits Program for Employees on the Active Payroll.....	54
11.3	Type of Retiree Medical Plan.....	55
11.4	Cost of the Retiree Medical Plan.....	56
11.5	Details and Method of Coverage.....	57
11.6	Administration.....	58
11.7	Copies of Policies to be Furnished to Union.....	58
11.8	Federal or State Programs.....	58
11.9	Boeing Global Health Plan.....	59
<b>ARTICLE 12 - TRAVEL AND RELOCATION REIMBURSEMENT.</b>		<b>59</b>
12.1	Recognition of Varied Type of Operations.....	59
12.2	Copies of Policies to be Furnished to the Union.....	59
12.3	Advance Notice to Employee of Applicable Policy.....	59
12.4	Changes in Policies.....	60
12.5	Determination of Applicable Policies.....	60
12.6	Scope of Grievance and Arbitration Proceedings as Applied to Travel and Relocation Reimbursement.....	60
12.7	Travel Assignment Pay.....	60
12.8	Reimbursement for Professional Tax Preparation Services.....	61
<b>ARTICLE 13 - LABOR GRADES - IDENTIFICATION AND APPLICATION OF.....</b>		<b>61</b>
13.1	Labor Grades.....	61
13.2	Corporate Job - Definition of.....	61
13.3	Identification of Existing Jobs-Placement in Labor Grade.....	61
13.4	Procedure for Placement, Within Labor Grades, of New or Changed Jobs.....	61
13.5	Establishment of New Jobs.....	61
13.6	Temporary Classifications.....	62
13.7	Initial Staffing of New or Temporary Classifications.....	62
13.8	Opportunity for Union to Challenge Placement in Labor Grade... Procedure in Event of Disagreement.....	63
13.9		63
13.10	Classification Guides and Representative Jobs.....	63
13.11	Retroactive Payment Where Labor Grade Changed.....	64
13.12	Existing "Nonrepresentative" Jobs.....	64
13.13	Applicable Classification Guides and Representative Jobs.....	64
13.14	Misassignment Grievances.....	65
<b>ARTICLE 14 - SENIORITY.....</b>		<b>65</b>
14.1	Accumulation of Seniority.....	65
14.2	Transfer From One Location to Another.....	67
14.3	Loss of Seniority.....	67

	<b>Page</b>
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	
32	
33	
34	
35	
36	
37	
38	
39	
40	
41	
42	
43	
44	
45	
46	
	14.4 Reinstatement of Seniority Lost by Reason of Duration of Layoff..... 68
	14.5 Nature of Seniority Rights ..... 68
	<b>ARTICLE 15 - LEAVE OF ABSENCE..... 68</b>
	15.1 Authorized Leaves of Absence ..... 68
	15.2 Return from Leave of Absence ..... 69
	<b>ARTICLE 16 - HEALTH AND SAFETY ..... 71</b>
	16.1 Mutual Objective ..... 71
	16.2 IAM/Boeing Health & Safety Institute ..... 72
	16.3 Health & Safety Focal Points..... 76
	16.4 Use of Safety Devices..... 76
	16.5 Safety Health & Environmental Action Request (SHEAR)..... 77
	16.6 Disputes ..... 77
	16.7 Requirement of Medical Examination ..... 77
	16.8 First Aid..... 78
	16.9 Medical Recommendations..... 78
	16.10 Employees with Injuries or Illnesses ..... 79
	16.11 Union Liability to Employees ..... 81
	<b>ARTICLE 17 - APPRENTICES..... 81</b>
	17.1 Apprentice Rates..... 81
	17.2 Apprentice Agreements ..... 81
	<b>ARTICLE 18 - STRIKES AND LOCKOUTS ..... 82</b>
	<b>ARTICLE 19 - GRIEVANCE PROCEDURE AND ARBITRATION... 82</b>
	19.1 Establishment of Grievance and Arbitration Procedure..... 82
	19.2 Employee Grievances ..... 82
	19.3 Dismissals, Suspensions, Layoffs, Etc. .... 84
	19.4 Union Versus Company and Company Versus Union Grievance. 84
	19.5 Retroactive Compensation ..... 85
	19.6 Suspension Pending Investigation ..... 85
	19.7 Selection of Arbitrator - By Agreement ..... 85
	19.8 Selection of Arbitrator ..... 86
	19.9 Arbitration - Rules of Procedure..... 86
	19.10 Extension of Time Limits by Agreement..... 87
	19.11 Agreement Not to Be Altered ..... 87
	19.12 Conferences During Working Hours ..... 87
	19.13 Business Representative, When Not Available, May Authorize Designee ..... 87
	19.14 Signing Grievance Does Not Concede Arbitrable Issue ..... 87
	19.15 Union Jurisdictional Claims..... 88
	<b>ARTICLE 20 – QUALITY THROUGH TRAINING..... 89</b>
	20.1 Mutual Objective ..... 89
	20.2 IAM/Boeing Quality Through Training Program ..... 89
	20.3 Tuition Fees ..... 91
	<b>ARTICLE 21 - MISCELLANEOUS..... 92</b>
	21.1 Inventions ..... 92



	<b>Page</b>
1	
2	21.2 Financial Awards ..... 92
3	21.3 Sabotage ..... 92
4	21.4 Nondiscrimination ..... 93
5	21.5 Security Interviews ..... 93
6	21.6 Employee Assistance ..... 93
7	21.7 Subcontracting ..... 94
8	21.8 Pilot Projects ..... 96
9	21.9 Technology Briefings ..... 98
10	21.10 Agreements ..... 98
11	<b>ARTICLE 22 - WORKFORCE ADMINISTRATION ..... 99</b>
12	22.1 Definitions ..... 99
13	22.2 Surplusing Procedures - "Retentions" - Definition ..... 104
14	22.3 Surplusing Procedures - Number of Retentions Allowable ..... 104
15	22.4 Surplusing Procedures - Use of Allowable
16	Retentions Not Subject to Challenge ..... 105
17	22.5 Surplusing Procedures - Order of Surplusing ..... 105
18	22.6 Surplusing Procedures - Rights as to Downgrade ..... 106
19	22.7 Surplusing Procedures - Preferential Rights
20	as to Certain Category A Employees ..... 106
21	22.8 Surplusing Procedures - Temporary Layoffs ..... 107
22	22.9 Recall Procedures - Order of Recall of Category A
23	Employees from Downgrade or Layoff ..... 108
24	22.10 Rules Relating to Lateral Transfers and Reclassifications ..... 108
25	22.11 Promotional Procedures - Order of Filling Openings ..... 109
26	22.12 Promotional Procedures – Graduate Apprentices ..... 110
27	22.13 Promotional Procedures - Effect of Refusing Promotion ..... 114
28	22.14 Review of Selection of Designated Candidates ..... 114
29	22.15 Rules for Resolving Requests for Reviews ..... 115
30	22.16 Special Provisions in Regard to Remote Locations ..... 117
31	22.17 Special Provisions in Regard to Employees on
32	Travel Assignments ..... 118
33	22.18 Miscellaneous ..... 119
34	<b>ARTICLE 23 - LAYOFF BENEFITS ..... 121</b>
35	23.1 Establishment of Plan ..... 121
36	23.2 Eligibility ..... 121
37	23.3 Amount and Payment of Benefit ..... 121
38	23.4 Benefit Not Applicable for Other Purposes ..... 122
39	23.5 Continuation of Medical Coverage ..... 122
40	<b>ARTICLE 24 - DURATION ..... 123</b>
41	<b>RULES GOVERNING THE APPLICATION OF</b>
42	<b>JOB DESCRIPTIONS ..... 124</b>
43	<b>GLOSSARY OF TERMS AND PHRASES ..... 125</b>
44	<b>LETTERS OF UNDERSTANDING ..... 132</b>
45	<b>ATTACHMENT A – Group Benefits Package ..... 204</b>
46	<b>ATTACHMENT B – Retiree Medical Plan ..... 293</b>
47	<b>ALPHABETICAL INDEX ..... 315</b>

1                                   **COLLECTIVE BARGAINING AGREEMENT**

2   **of September 13, 2024**

3   **BETWEEN**

4   **THE BOEING COMPANY**

5   **and**

6   **INTERNATIONAL ASSOCIATION OF MACHINISTS**  
7   **AND AEROSPACE WORKERS, AFL-CIO**

8   **and**

9   **CERTAIN DISTRICTS AND LOCAL LODGES THEREOF**

10       THIS AGREEMENT, dated as of the 13<sup>th</sup> day of September, 2024, by and  
11       between The Boeing Company, a Delaware corporation (the term “the  
12       Company” being hereinafter deemed in each instance to refer to such  
13       corporation), and the International Association of Machinists and Aerospace  
14       Workers, AFL-CIO, and those of its lodges now and hereafter representing  
15       employees of the Company in the units described in Article 1 (the term “the  
16       Union” being hereinafter deemed in each instance to refer to the  
17       International Association of Machinists and Aerospace Workers, AFL-CIO,  
18       and to each such district or local lodge in reference respectively to the  
19       collective bargaining unit with which it is identified and the employees  
20       therein);

21       WITNESSETH that

22       WHEREAS, the parties have negotiated the terms and conditions of a  
23       Collective Bargaining Agreement (hereinafter referred to as the  
24       “Agreement”), relating to employees of the Company represented by the  
25       Union and more particularly described in this Agreement and to the wages,  
26       hours and other terms and conditions of employment of such employees, and  
27       the parties desire to reduce the Agreement to writing; and whereas the terms  
28       “Primary Location” and “Remote Location,” as used in this Agreement and  
29       the appendices hereto respectively shall have the following meanings:  
30       “Primary Location” shall refer to a major base of Company operations  
31       designated by the Company as a Primary Location such as “Puget Sound,”  
32       “Wichita” or “Portland.” “Remote Location” shall refer to a Company

1 operation located in an area away from a Primary Location and designated  
2 by the Company as a Remote Location of a particular Primary Location,  
3 such as Vandenberg Air Force Base, Plant 77 (Ogden, Utah), etc.

4 NOW, THEREFORE, in consideration of the mutual promises hereinafter  
5 set forth, the parties hereto agree as follows:

6 **ARTICLE 1**  
7 **UNION REPRESENTATION**

8 **Section 1.1 Units Covered.**

9 The Company recognizes the Union as the exclusive collective bargaining  
10 agent for all employees covered by this Agreement, as follows:

11 **1.1(a) Puget Sound Unit.**

12 **1.1(a)(1)** Those employees in the collective bargaining unit that  
13 were involved in National Labor Relations Board Case No. 19-RC-  
14 344, and now consisting of: All production and maintenance  
15 employees of the Company in the State of Washington, who are not  
16 on temporary assignment from a Primary Location other than  
17 Puget Sound, but excluding, as to employees within and without  
18 the State of Washington: employees working in the receiving and  
19 testing department performing chemical or electrical laboratory  
20 work; stenographers A and B working for foremen, general  
21 foremen, inspection supervisors, production supervisors and chief  
22 timekeepers; production engineers in the Production Planning  
23 Department and the Experimental Production Department working  
24 under the job titles of Senior Production Engineer B, Production  
25 Engineer A, Production Engineer B, Production Planner Special  
26 and Production Planner B; the following employees in departments  
27 521 and 525: production control recorders, working group leaders,  
28 clerks, expeditors, stenographers and operators of tabulating, key  
29 punch and verifier machines; power plant operators; truck drivers  
30 operating on the public highway; office clerical employees; guards,  
31 professional employees, and supervisors as defined in the Labor-  
32 Management Relations Act of 1947; and subject to any further  
33 exclusions to the extent required by other certifications, orders or  
34 rulings of the NLRB, and further excluding those classifications,  
35 organizations and functions which have superseded those  
36 mentioned in the foregoing exclusions, and

37 **1.1(a)(2)** All staff nurses employed by the Company in the State  
38 of Washington, excluding supervisory nurses, as designated in

1 National Labor Relations Board certification dated January 29,  
2 1973, in Case No. 19-RC-6400, and

3 **1.1(a)(3)** Instructors and group leaders assigned as instructors over  
4 the production and maintenance employees designated in  
5 subparagraph 1.1(a)(1), and

6 **1.1(a)(4)** All employees of the Company in the Puget Sound Unit  
7 as described in subparagraphs 1.1(a)(1), 1.1(a)(2) and 1.1(a)(3)  
8 who are outside the State of Washington but who are at Remote  
9 Locations identified with the Puget Sound Primary Location.

10 Such unit is primarily identified with the Primary Location known  
11 as Puget Sound and with Aerospace Industrial District Lodge No.  
12 751, IAM & AW, AFL-CIO.

13 **1.1(b) Wichita Unit.**

14 **1.1(b)(1)** Those employees in the collective bargaining unit  
15 described as follows: those employees in the collective bargaining  
16 unit that were involved in National Labor Relations Board Case No.  
17 17-R-406 and to whom Appendix "A" to the "Agreement for  
18 Consent Election" executed June 14, 1943, in that case, relates,  
19 including generally all hourly paid production and maintenance  
20 employees; and classifications of employees subsequently added  
21 pursuant to agreement of March 28, 1946 (including Tool Record  
22 Clerks), agreement of May 16, 1946 (including Timekeepers),  
23 agreement of June 14, 1946 (including Production Stock Record  
24 Clerks), agreement of October 25, 1946 (including Production  
25 Inventory Clerks), agreement of February 27, 1947 (including  
26 Blueprint Control Clerks), National Labor Relations Board  
27 decision in Case Numbers 17-RC-790 and 17-RC-791 (including  
28 Contact Printers and Rivet Control Clerks), and National Labor  
29 Relations Board decision in Case No. 17-RC-905 and agreement of  
30 March 29, 1951 (including Inspectors in certain designated job  
31 classifications), and National Labor Relations Board decision in  
32 Case No. 17-RC-5403 and agreement of May 5, 1967 (including  
33 Industrial Waste Treatment Plant Operators); but excluding all  
34 classifications of employees not permitted to vote in the consent  
35 election on July 3, 1943 in National Labor Relations Board Case  
36 No. 17-R-406; and subject to any further exclusions to the extent  
37 required by other certifications, orders or rulings of the NLRB.

38 **1.1(b)(2)** All employees of the Company in the Wichita Unit  
39 described in 1.1(b)(1) who are at Remote Locations identified with  
40 the Wichita Primary Location.

1 Such unit is primarily identified with the Primary Location known  
2 as Wichita and with District Lodge No. 70, IAM & AW, AFL-CIO.

3 **1.1(c) Portland Unit.**

4 **1.1(c)(1)** Those employees in the collective bargaining unit  
5 described as follows: those hourly paid production and  
6 maintenance employees, and occupational health nurses, within the  
7 collective bargaining unit identified with the Portland Primary  
8 Location, excluding office clerical employees, professional  
9 employees, guards and watchmen, and supervisors as defined in the  
10 National Labor Relations Act, as amended, and also excluding  
11 individuals on temporary assignment from another Primary  
12 Location, which Portland Primary Location is the operation the  
13 Company is conducting at 19000 N.E. Sandy Boulevard, Portland,  
14 Oregon, as designated in the collective bargaining agreement of  
15 November 1, 1975, between the Company and the International  
16 Association of Machinists and Aerospace Workers, AFL-CIO and  
17 Willamette Lodge No. 63 thereof.

18 **1.1(c)(2)** All employees of the Company in the Portland Unit  
19 described in subparagraph 1.1(c)(1) who are at Remote Locations  
20 identified with the Portland Primary Location.

21 Such unit is primarily identified with the Primary Location known  
22 as Portland and with District Lodge No. W24.

23 **1.1(d) Additional Primary Locations.**

24 All other production and maintenance employees of the Company of the  
25 type referred to in subparagraph 1.1(a)(1) (subject to exclusions of the  
26 type stated or referred to in subparagraph 1.1(a)(1)) whose employment  
27 is identified with any Primary Location hereinafter designated as such  
28 by the Company.

29 **Section 1.2 Employees Assigned Away From Primary Location-Unit**  
30 **Identification.**

31 It is recognized that the Company's business for the foreseeable future will  
32 require the establishment and maintenance, or continued maintenance of  
33 temporary or semi-permanent operations in various locations in North  
34 America and the islands related thereto and in each such instance where a  
35 designated Remote Location is involved, it is the intent of this Agreement  
36 that, subject to any further or supplemental agreement of the parties on the  
37 matter, employees that are assigned to work at such location or are hired at  
38 the location for work there, shall be considered as remaining or being within  
39 the collective bargaining unit identified with the Primary Location of the  
40 Company that originally set up the work force identified with the business

1 being conducted by the Company at such location; with the exception that  
2 in the case of employees at such location who are there by reason of  
3 temporary assignment from some Primary Location other than the one  
4 originally setting up such work force, the latter employees shall while on  
5 such temporary assignment continue to be identified with the collective  
6 bargaining unit at the Primary Location from which they were so assigned.

7 **Section 1.3 Union Jurisdictional Claims – Settlement Of.**

8 Controversies between the Company and the Union, arising out of Union  
9 jurisdictional claims as to the employees properly to be included in one of  
10 the collective bargaining units identified in this Article 1 and to work  
11 assignments of unrepresented individuals, shall be resolved in accordance  
12 with the following rules and procedures:

13 **1.3(a)** Controversies to which this Section 1.3 relates shall be those  
14 based on the contention by the Union that the work assignments of one  
15 or more unrepresented individuals properly should be performed only  
16 by an employee in one of the units identified in this Article 1 and  
17 represented by the Union.

18 **1.3(b)** An unrepresented individual is one employed by the Company  
19 who is treated by the Company as not being within a unit represented  
20 by the Union and who is not within a collective bargaining unit  
21 represented by another labor organization.

22 **1.3(c)** Temporary performance by an unrepresented employee of work  
23 that is not normally and regularly a part of his/her job assignment shall  
24 not be used by the Union as the basis for any jurisdictional claim under  
25 this Section 1.3. It is understood that this Section 1.3(c) shall not be  
26 used in determining whether such temporary performance affords basis  
27 for a grievance under any other provision of this Agreement.

28 **1.3(d)** Union jurisdictional claims shall be resolved as provided in  
29 Section 19.15.

30 **1.3(e)** It is the intent of the Company that unrepresented employees  
31 shall not be assigned to displace employees in any of the bargaining  
32 units identified in this Article 1 during periods such unrepresented  
33 employees remain outside any such bargaining unit.

34 **1.3(f)** Any jurisdictional dispute involving represented employees who  
35 are not within one of the units described in this Article 1 shall not be  
36 subject to the grievance and arbitration provisions of this Agreement.

1                                   **ARTICLE 2**  
2                                   **RIGHTS OF MANAGEMENT**

3       **Section 2.1 Management of Company.**

4       The management of the Company and the direction of the work force is  
5       vested exclusively in the Company subject to the terms of this Agreement.  
6       All matters not specifically and expressly covered or treated by the language  
7       of this Agreement may be administered for its duration by the Company in  
8       accordance with such policy or procedure as the Company from time to time  
9       may determine.

10                                   **ARTICLE 3**  
11                                   **UNION SECURITY**

12       **Section 3.1 Union Membership.**

13       Subject to Section 3.3 below, all employees within the bargaining unit  
14       defined in Section 1.1(a) (hereinafter referred to as the Puget Sound Unit) or  
15       within the bargaining unit defined in Section 1.1(c) (hereinafter referred to  
16       as the Portland Unit) shall become members of the Union within thirty-one  
17       (31) days following the beginning of such employment in the Puget Sound  
18       Unit or the Portland Unit, or within thirty-one (31) days following the  
19       execution of this Agreement, whichever is later, and shall thereafter  
20       maintain their membership in good standing in the Union during the life of  
21       this Agreement, as a condition of continued employment.

22       **Section 3.2 Maintenance of Membership.**

23       Subject to Section 3.3 below, employees of the Company who are within the  
24       Puget Sound Unit or the Portland Unit and who are or become members of  
25       the Union on or after the effective date of this Agreement shall, as a  
26       condition of employment, thereafter maintain their membership in good  
27       standing in the Union during the life of this Agreement.

28       **Section 3.3 Satisfaction of Obligation.**

29       Employees who, under Sections 3.1 or 3.2 of this Article 3, are required  
30       either to become members of the Union or maintain membership in good  
31       standing in the Union may satisfy that obligation by periodically tendering  
32       to the Union an amount equal to the Union's regular and usual monthly dues.

33       **Section 3.4 Failure to Satisfy Obligation.**

34       In the event an employee who, as a condition of continued employment, is  
35       required under this Article 3 to become a member of the Union, or maintain  
36       his/her membership in good standing therein, but in any such case does not  
37       do so, the Union will notify the Company in writing, through the Corporate  
38       Union Relations Office, or through such other office as may be designated  
39       by the Company, of such employee's delinquency. The Company agrees to

1 advise such employee that his/her employment status with the Company is  
2 in jeopardy and that his/her failure to meet his/her obligation under this  
3 Article 3 within five (5) days will result in his/her termination of  
4 employment.

5 **Section 3.5 Explanation to Employees.**

6 Either the Company or the Union may explain to any employee or call to  
7 his/her attention, at any time, his/her rights and obligations under any or all  
8 provisions of this Article 3.

9 **Section 3.6 Remote Locations.**

10 Where the application of provisions such as those in Sections 3.1 and 3.2 of  
11 this Article 3 are not permitted by state law at a Primary Location, it shall  
12 not apply to Remote Locations identified with the Primary Location.

13 **Section 3.7 Right to Work States.**

14 In regard to employees within those collective bargaining units covered by  
15 this Agreement that are identified with Primary Locations in states where  
16 application of union security provisions such as those stated in Sections 3.1  
17 and 3.2 of this Article 3 are not legally permitted as of the effective date of  
18 this Agreement: In the event the application of such provisions were to  
19 become permissible in such state during the effective period of this  
20 Agreement, provisions such as those applicable to the Puget Sound Unit and  
21 the Portland Unit under this Article 3 then would become applicable to the  
22 collective bargaining unit identified with the Primary Location in that state,  
23 and the date that such provision became permissible would be used instead  
24 of the effective date of this Agreement.

25 **Section 3.8 Payroll Deduction for Union Dues and Initiation Fee.**

26 The Company shall make payroll deductions for the Union's initiation fee,  
27 and its regular and usual monthly dues, upon receipt by the office designated  
28 by the Company of a voluntary written assignment from the employee  
29 covering such deductions on a form mutually agreed to by the Union and the  
30 Company. The list of such deductions will be itemized to include each such  
31 employee's social security number or permanent employee number, name,  
32 and amount of deduction, and such itemization will be forwarded to the  
33 Union. The initiation fee or regular and usual monthly dues shall either be  
34 in amounts that are specified on such assignments, or pursuant to a written  
35 formula, submitted by the Union to the Company which, in either case, the  
36 Company has approved in writing in advance as being administratively  
37 practicable.



1 **Section 3.9 Contributions to Machinists' Nonpartisan Political League.**

2 Upon receipt by the Company of a signed voluntary authorization by an  
3 employee, on a form approved by the Company, requesting that there be  
4 deductions made from his/her wages, in a monthly amount designated by the  
5 employee, such deductions to be forwarded to the Union for use by the  
6 Machinists' Nonpartisan Political League, the Company will thereafter make  
7 such deductions and forward them to the Machinists' Nonpartisan Political  
8 League, care of the Union. Such authorization will remain in effect for the  
9 duration of this Agreement, unless earlier canceled in writing by the  
10 employee.

11 **Section 3.10 Contributions to Guide Dogs of America.**

12 Upon receipt by the Company of a signed voluntary authorization by an  
13 employee, on a form approved by the Company, requesting that there be  
14 deductions made from his/her wages, in a monthly amount designated by the  
15 employee, such deductions to be forwarded to the Union for use by Guide  
16 Dogs of America, the Company will thereafter make such deductions and  
17 forward them to Guide Dogs of America, care of the Union. Such  
18 authorization will remain in effect for the duration of this Agreement, unless  
19 earlier canceled in writing by the employee.

20 **Section 3.11 Indemnity.**

21 The Union will indemnify and hold the Company harmless from and against  
22 any and all claims, demands, charges, complaints or suits instituted against  
23 the Company which are based on or arise out of any action taken by the  
24 Company in accordance with or arising out of the foregoing provisions of  
25 this Article 3.

26 **ARTICLE 4**

27 **UNION REPRESENTATIVES AND UNION ACTIVITY**

28 **Section 4.1 Union to Furnish List of Representatives.**

29 The Union shall inform the Company in writing of the names of its Grand  
30 Lodge representatives, officers, business representatives and stewards who  
31 are accredited to represent it, which information shall be kept up to date at  
32 all times. Only persons so designated will be accepted by the Company as  
33 representatives of the Union.

34 **Section 4.2 Bulletin Boards.**

35 The Company shall provide bulletin boards for the Union's use in areas  
36 conveniently accessible to bargaining unit employees. New and  
37 replacement boards will be at least three (3) feet by four (4) feet in size. The  
38 Union may maintain the boards for the purpose of notifying employees of  
39 matters pertaining to Union business. All notices shall be signed by a

1 representative of the Union who is authorized by the Union to approve  
2 Union notices.

3 **Section 4.3 Business Representatives - Access to Plants.**

4 The Company shall provide identification badges so that each business  
5 representative can have access during working hours to the area in which  
6 employees are assigned who are within a bargaining unit defined in Article  
7 1 and for which area he/she is an accredited business representative, to the  
8 extent government or customer regulations will permit. The business  
9 representative may retain the badge affording such access during the period  
10 he/she is so assigned as a business representative.

11 **Section 4.4 Grand Lodge Representatives - Access to Plants.**

12 Grand Lodge representatives will be permitted access during working hours  
13 to areas in the Company's facilities where employees in the bargaining units  
14 defined in Article 1 hereof are assigned, for the purpose of conducting Union  
15 business to the extent government or customer regulations permit.

16 **Section 4.5 Conditions Relating to Access to Plants.**

17 Access of Union representatives to Company facilities for the purpose of  
18 investigating complaints or claims of grievance on the part of employees or  
19 the Union shall be subject to the following:

20 **4.5(a)** The Company shall be required to admit only those accredited  
21 business representatives who are being admitted as of the effective date  
22 of this Agreement, and such other business representatives as may be  
23 accredited by the Union as provided in Section 4.1 above.

24 **4.5(b)** Business representatives and Grand Lodge representatives who  
25 are entitled under Sections 4.3 and 4.4 to admittance to the Company's  
26 facilities shall sign in where required through the Company-designated  
27 organization at the plant or facility they desire to enter. Upon being  
28 admitted, they shall proceed to the shop or organization they wish to  
29 visit, contact the supervisor then present, inform him/her of the purpose  
30 of their visit and obtain his/her permission prior to contacting any  
31 employee in such shop or organization. Such permission will be granted  
32 except where there is a substantial reason for delaying the contact due  
33 to safety conditions or the fact that a critical operation is in process.  
34 Upon leaving the plant or facility they shall sign out and return any  
35 temporary identification badges which were issued for the purpose of  
36 the specific visit.

37 **4.5(c)** Business representatives and Grand Lodge representatives  
38 granted admittance to the Company's facilities under this Article 4 shall  
39 not engage in organizing or campaigning for Union or political office

1 on Company premises. This Section 4.5(c) will not be interpreted as  
2 preventing business representatives or Grand Lodge representatives  
3 from discussing, in nonwork areas during nonwork periods, matters of  
4 Union membership, fees or dues, with employees who are within one of  
5 the collective bargaining units described in Article 1 of this Agreement.

6 **4.5(d)** Union representatives who fail to comply with the provisions of  
7 Sections 4.3, 4.4, 4.5 and 4.6 shall forfeit their admittance rights.

#### 8 **Section 4.6 Union Activity During Working Hours.**

9 Solicitation of Union membership or collection or checking of dues will not  
10 be conducted during working time. The Company agrees not to discriminate  
11 in any way against any employee for Union activity, but such activity shall  
12 not be carried on during working time, except as specifically allowed by the  
13 provisions of this Agreement.

#### 14 **Section 4.7 Stewards.**

15 The provisions and rules regarding stewards shall be as follows:

16 **4.7(a)** The Union may designate one (1) employee as a steward for each  
17 one hundred (100) employees, or fraction thereof, for each shift in each  
18 shop. In instances where a shop has a unit geographically separated  
19 from its main location, the Union may also designate a steward for each  
20 such separate unit for each shift provided that such unit consists of a  
21 minimum of four (4) employees, is not adjacent to the shop's main  
22 location and is not established on a temporary short-term basis;  
23 notwithstanding Section 4.7(d), when such unit drops below four (4)  
24 employees, no employee in such unit shall have steward status. If a  
25 geographically separated unit of a shop does not have a separate  
26 steward, arrangements will be made to permit employees in such unit to  
27 contact a steward upon request. In the absence of the regular steward  
28 for any reason, the Union may designate a temporary steward to act for  
29 the regular steward. Such designation shall be in writing. (For the  
30 purpose of this Section 4.7, a shop shall be defined as any organization,  
31 geographically separated unit, or grouping of employees which the  
32 parties establish in advance by mutual agreement. The definition of  
33 "organization" as set forth in Section 22.1(n) of this Agreement shall be  
34 applicable to that term as used in Section 4.7.)

35 **4.7(b)** The effective appointment date of a steward will be the third  
36 workday following the date on which the appointment letter from the  
37 Union is received by the applicable designated office of the Company,  
38 provided the appointment is determined to be in conformance with  
39 Section 4.7(a) above.

1           **4.7(c)** The Company will notify the Union of cases requiring a selective  
2 reduction in the number of stewards to conform with Section 4.7(a)  
3 above. Within three (3) workdays following the date the Union receives  
4 such notice from the Company, the Union will notify the Company of  
5 the names of the appropriate number of individuals the Union desires to  
6 have deleted from the Company records as stewards. No surplus action  
7 will affect such excess stewards during such three (3)-workday period.  
8 The above three (3)-workday waiting period will not apply in the  
9 handling of situations wherein no selective reduction is involved.

10           **4.7(d)** An employee while serving as a steward shall not be surplusd,  
11 transferred or loaned from his/her job title, or his/her shop, or his/her  
12 shift so long as other employees remain in his/her job title, and in the  
13 shop and on the shift for which he/she is designated as steward. If  
14 he/she is not eligible so to remain in his/her job title, he/she will be  
15 offered downgrade to the highest labor grade job title within his/her  
16 normal line of promotion which is then being utilized in the shop and  
17 on the shift for which he/she is designated as steward. If he/she declines  
18 such a downgrade or if he/she is relieved of his/her steward's status prior  
19 to such downgrade action, he/she will then be subject to normal  
20 surplusng procedures as provided in Article 22.

21           **4.7(e)** Stewards will be promoted and recalled from layoff on the same  
22 basis as provided in Article 22 for other employees, except that in the  
23 event a shift in a shop is deactivated and is reactivated by the Company  
24 within one hundred twenty (120) calendar days after such deactivation,  
25 the former steward will be offered an opportunity to return to that shop  
26 and shift provided the Company determines to utilize the steward's  
27 former job title or a lower grade in the same job family in such shop and  
28 on such shift within such one hundred twenty (120)-day period, and  
29 further provided that the former steward has not been replaced as  
30 steward by the Union in the interim.

31           **4.7(f)** A steward will retain his/her steward status while on approved  
32 medical leave of absence for a maximum of one hundred eighty (180)  
33 calendar days, provided that he/she has not been replaced as steward by  
34 the Union prior to expiration of such leave.

35           **Section 4.8 Departure from Work Assignment by Stewards to**  
36           **Investigate Complaints or Claims of Grievance.**

37           Each steward shall notify and obtain permission from his/her supervisor  
38 before leaving his/her work assignment for the purpose of investigating  
39 complaints or claims of grievance on the part of employees or the Union or  
40 contacting the business representative in regard to such claim or grievance.

1 Such permission shall be granted except where there is a substantial reason  
2 for delaying the contact or the investigation due to safety conditions or the  
3 fact that a critical operation is in process. The supervisor may be present  
4 during any discussion relating to any complaint or grievance. However,  
5 upon the request of an employee or steward, the supervisor shall authorize a  
6 steward to participate in a private discussion with an employee or business  
7 representative, relating to a complaint or grievance. Discussions of the type  
8 described in this Section 4.8 shall be conducted without requiring the  
9 employee or steward to clock out provided the discussion does not extend  
10 beyond the time that the supervisor considers reasonable under the  
11 circumstances.

12 **Section 4.9 Departure from Work for Union Business.**

13 Except as provided in Section 4.8 above, each steward, local lodge officer  
14 or district council delegate shall have authorization from the Union, give  
15 his/her supervisor at least twenty-four (24)-hour advance notice if possible  
16 and clock out prior to departure from his/her work assignment to conduct  
17 Union business. If the work assignment given the steward, local lodge  
18 officer or district council delegate seriously interferes with the performance  
19 of his/her duties for the Union, or if Union business seriously interferes with  
20 his/her work assignment, the Company and the Union agree to cooperate in  
21 making arrangements to prevent such interference in the future. However,  
22 stewards, local lodge officers and district council delegates shall not be  
23 penalized for such Union business; provided, that nonpayment by the  
24 Company for time spent on Union business shall not be considered as a  
25 penalty. This Section 4.9 shall apply to cases of stewards who are designated  
26 to act for business representatives in accordance with Section 19.13 for the  
27 temporary period the steward is authorized as a designee.

28 **Section 4.10 Security Clearances.**

29 If governmental regulations require special clearance to obtain access to  
30 certain areas where employees are assigned who are within a bargaining unit  
31 defined in Article 1, the Company will cooperate with the Union to obtain  
32 necessary clearance for two (2) representatives designated by the Union:  
33 one (1) for the Puget Sound and Portland Units, and one (1) for the Wichita  
34 Unit. If this number is not adequate in view of the workload, the Company  
35 and the Union will discuss the possibility of attempting to obtain clearance  
36 for additional representatives.

1 **ARTICLE 5**  
2 **WORKWEEK, HOURS OF WORK, SHIFTS**

3 **Section 5.1 Workweek.**

4 The normal work schedule shall consist of five (5) consecutive workdays,  
5 Monday through Friday, followed by two (2) days of rest (Saturday and  
6 Sunday), except for those employees designated in advance by mutual  
7 agreement between the Company and the Union who regularly work on  
8 Saturday and/or Sunday, whose normal work schedule shall consist of five  
9 (5) consecutive workdays, followed by two (2) days of rest, which shall be  
10 treated as their Saturday and Sunday, in that order. The Company will  
11 attempt to meet its nonregular workweek assignments on a voluntary basis  
12 among the employees. In the event there are insufficient volunteers to meet  
13 the requirement, the supervisor may designate and require the necessary  
14 number of employees to work the nonregular workweek. Such designation  
15 shall first affect the junior qualified employees in the classification. When  
16 reducing the number of nonregular workweek assignments, senior  
17 employees within each job will be given their preference to return to regular  
18 workweek schedules. The purpose of nonregular workweek assignments is  
19 to provide for those maintenance and service functions that are required on  
20 a continuing seven (7)-day per-week basis. Such assignments will not be  
21 utilized for the purpose of providing maintenance or service in support of  
22 weekend production operations. It is mutually agreed that Maintenance  
23 employees and employees in organizations providing seven-day customer  
24 service may be assigned to a nonregular workweek.

25 **Section 5.2 Short Workweek.**

26 In the event the Company deems it advisable to work any number of the  
27 employees on a short workweek, the Union and the affected employees will  
28 be notified in advance which days are to be worked, and such days worked  
29 shall be consecutive. An employee's options in regard to the use of vacation  
30 credit in such situation are set forth in Section 8.4(i).

31 **Section 5.3 Shifts; Lunch Periods; Rest Periods.**

32 Each employee shall be assigned to a definite shift with designated times of  
33 beginning and ending. The first and second shifts each shall be an eight (8)-  
34 hour-and-thirty-minute period which shall include a thirty (30)-minute  
35 unpaid lunch period. The third shift shall be a seven (7)-hour period which  
36 shall include a thirty (30)-minute unpaid lunch period. The designated times  
37 of beginning each shift during the scheduled workweek (the period covered  
38 by Section 6.10(c)) shall be: first shift - between 5:00 A.M. and 8:30 A.M.;  
39 second shift - between 1:30 P.M. and 6:00 P.M.; third shift - between 10:00  
40 P.M. and 1:30 A.M. of the following day. Each employee shall be given a  
41 ten (10)-minute rest period in each half of the shift to which he/she is

1 assigned, the time of starting each such rest period to be designated by the  
2 Company. Each employee who is required to report for work two (2) or  
3 more hours prior to the start of his/her regular shift shall receive a ten (10)-  
4 minute rest period prior to the start of his/her regular shift. Each employee  
5 who is scheduled to work two (2) or more hours of overtime after his/her  
6 regular shift shall receive a ten (10)-minute rest period prior to the start of  
7 the overtime. Changes of shift assignments shall be made on the first day of  
8 a new workweek whenever practicable.

9 **Section 5.4 Shift Preference.**

10 In order to ensure operational efficiency, the Company shall have the  
11 exclusive right to assign employees to any shift. Subject to the foregoing,  
12 senior employees who have a shift preference on file shall be given  
13 preference over junior employees who are assigned to the same job title and  
14 shift, junior returning non-bargaining unit employees, new hires, recalls  
15 from layoff, and promotional candidates for placement in openings in their  
16 job title and organization. Shift preference rights are not applicable over  
17 employees being downgraded, laterally reclassified on their current shift,  
18 laterally transferred to the organization on their current shift or over senior  
19 employees who are in their labor grade. Employees who have requested  
20 downgrades will not be given preference over senior employees in their  
21 organization who have shift preferences on file. Shift preferences must be  
22 filed more than three (3) working days prior to an organization effecting a  
23 shift change or declaring a job opening by submission of a dated open  
24 requisition. If an employee does not file a shift preference, it shall be  
25 assumed that he/she is on his/her preferred shift. Under no circumstances  
26 will the provisions of this Section 5.4 be construed to enable an employee,  
27 at his/her instance and request, to displace a less senior employee from  
28 his/her job and shift.

29 **5.4(a)** As stated, shift preferences as defined will not apply in instances  
30 where the exercise of such rights would affect the efficiency of  
31 Company operations in any organization on any shift. When such  
32 instances arise, it shall be the responsibility of organizational  
33 management to prepare an exception request for transmittal to the  
34 organization's designated executive or delegate. Exception requests  
35 shall be discussed with the Union prior to submittal to the site senior  
36 Human Resources representative or designee for final approval.

37 **5.4(a)(1)** When staffing a new shift, the Company maintains the  
38 right to assign employees necessary to accomplish the work,  
39 including the right to assign employees with key skills regardless  
40 of their shift preference. The Company will attempt to complete

1 such staffing from volunteers, assignments from other shifts in  
2 reverse seniority order, promotions, and new hires.

3 **5.4(a)(2)** When senior employees are displaced from their shift of  
4 preference during a staffing exercise, the Union will be notified and  
5 the displaced employee shall be given, in writing, a date of return  
6 to the preferred shift he/she was on. The Company will attempt to  
7 complete such staffing from qualified volunteers prior to  
8 mandating a senior employee to be moved off of their preferred  
9 shift.

10 **5.4(b)** The Company will de-staff a shift in the following order: first,  
11 by shift preference filings, and second, in reverse seniority order among  
12 remaining employees. In cases where the shift is to be eliminated,  
13 employees will be notified in advance and given the opportunity to file  
14 a timely shift preference.

15 **5.4(c)** In the event an employee is holding a higher graded job  
16 classification but is no longer assigned to work as a lead (as defined by  
17 the Rules Governing the Application of Job Descriptions), he/she shall  
18 have the same shift preference rights accorded to the employees in the  
19 lower graded job classification of the work being performed.

20 **5.4(d)** In the event two (2) or more employees have the same seniority  
21 date, the employee with the lowest BEMS ID will be provided the first  
22 opportunity for shift preference movement.

23 **ARTICLE 6**  
24 **RATES OF PAY**

25 **Section 6.1 Definitions.**

26 The meanings of certain terms used in this Article 6 and elsewhere in this  
27 Agreement are stated below:

28 **6.1(a) Base Rate.** An employee's hourly rate of pay determined under  
29 the applicable provisions of Sections 6.2 and 6.3, excluding all  
30 allowances, differentials, adjustments, bonuses, awards, and premiums.

31 **6.1(b) Base Rate Ranges.** The minimum and maximum rates of pay  
32 for each labor grade established under Section 6.2(a).



1     **Section 6.2 Base Rates.**

2             **6.2(a) Base Rate Ranges.** The following base rate ranges will be  
3     effective September 13, 2024:

<b>LABOR GRADE</b>	<b>MINIMUM</b>	<b>MAXIMUM</b>
11	\$37.00	\$58.47
10	\$35.00	\$56.97
9	\$33.00	\$55.65
8	\$31.00	\$54.24
7	\$27.00	\$52.78
6	\$26.00	\$51.39
5	\$25.00	\$49.92
4	\$24.00	\$48.58
3	\$23.00	\$47.22
2	\$22.00	\$45.79
1	\$21.00	\$44.36

4             **6.2(b) Employees on the Active Payroll on September 12, 2024.**  
5     Effective September 13, 2024, the base rates for employees who on  
6     September 12, 2024, were on the active payroll shall be increased by  
7     folding into the base rates the Cost of Living Adjustment being paid  
8     September 13, 2024.

9             **6.2(c) New Hires.** All employees who enter the bargaining unit on or  
10    after September 13, 2024, with a seniority date of September 13, 2024  
11    or later (and those employees whose seniority is reinstated under  
12    Section 14.4), will be paid a base rate within the base rate range  
13    established by Section 6.2(a) for their labor grade.

14            **6.2(d) Recalls from Layoff and Downgrade.** Effective September  
15    13, 2024, an employee who is recalled from layoff or downgrade  
16    through the exercise of Category A rights, will have the following base  
17    rate:

18            **6.2(d)(1)** If the employee is recalled to the same labor grade from  
19    which he/she was laid off and he/she was at the maximum rate at  
20    the time of layoff, he/she will be paid at the maximum rate,  
21    otherwise, he/she will be paid the base rate and the cost of living  
22    adjustment in effect on the date of his/her layoff, provided that, if  
23    cost of living adjustment has been added to base rates and made a  
24    part thereof since the employee's layoff, the cost of living

1 adjustment in effect on the date of the employee's layoff shall be  
2 similarly added to his/her base rate.

3 **6.2(d)(2)** If the employee is recalled to either a higher or lower  
4 labor grade than the one from which he/she was laid off, his/her  
5 base rate will be determined first by treating him/her as though  
6 he/she had been recalled to the same labor grade under Section  
7 6.2(d)(1) and then reclassified under Section 6.3(c).

8 **6.2(d)(3)** If the employee is recalled to the previously held labor  
9 grade following downgrade, and the employee was not at the  
10 maximum rate at the time of downgrade, then he/she will be paid  
11 the same base rate held at the time of downgrade, provided that, if  
12 a cost of living adjustment has been added to base rates and made  
13 a part thereof since the employee's downgrade, the cost of living  
14 adjustment in effect on the date of the employee's downgrade shall  
15 be added to his /her base rate.

16 **6.2(d)(4)** If an employee is downgraded due to surplus and is  
17 subsequently promoted to a higher labor grade than previously  
18 held, he/she shall be paid at least the same base rate held at the time  
19 of downgrade, plus any increase for promotion to which he/she may  
20 be entitled under Section 6.3(a).

21 **6.2(e) Returns from Leaves of Absence.** An employee on approved  
22 leave of absence who returns to the active payroll will have the  
23 following base rate:

24 **6.2(e)(1)** If the leave of absence was granted due to industrial  
25 injury or industrial illness, military service, or to accept a full-time  
26 Union position, the employee's base rate will be equal to the base  
27 rate he/she would have had if he/she had not been on a leave of  
28 absence.

29 **6.2(e)(2)** If the leave of absence was granted for any other reason,  
30 his/her base rate will be determined as though he/she had been  
31 recalled from layoff under Section 6.2(d).

## 32 **Section 6.3 Base Rate Changes.**

33 **6.3(a) Seniority Progression Increases.** On the Friday immediately  
34 preceding their six (6)-month anniversary of the date of hire or date of  
35 the last seniority progression increase, employees below the rate range  
36 maximum for their labor grade shall, subject to such maximum, receive  
37 a seniority progression increase to their base rate of fifty (50) cents.  
38 Employees shall automatically progress to the base rate range maximum

1 upon their twelfth (12th) seniority progression increase. Seniority  
2 progression increases shall accumulate towards the progression to  
3 maximum rate, irrespective of the labor grade or job classification in  
4 which seniority progression was earned. Employees on approved leave  
5 of absence will continue to accrue time toward their next six (6)-month  
6 progression increase for the first ninety (90) days of the leave.  
7 Employees recalled from layoff within one (1) year will be credited with  
8 any time they had prior to their layoff toward their next six (6)-month  
9 progression increase.

10 **6.3(b) General Wage Increases.** General wage increases will be  
11 granted as follows:

12 **6.3(b)(1)** Effective September 13, 2024, all employees on the  
13 active payroll on September 12, 2024, including those on approved  
14 leave of absence for ninety (90) days or less, will have their base  
15 rates increased first by application of Section 6.2(b) and then by  
16 application of a thirteen (13) percent general wage increase.

17 **6.3(b)(2)** Effective September 12, 2025, all employees on the  
18 active payroll on September 11, 2025, including those on approved  
19 leave of absence for ninety (90) days or less, will have their base  
20 rates increased first by application of Section 6.4(c) and then by  
21 application of a nine (9) percent general wage increase.

22 **6.3(b)(3)** Effective September 11, 2026, all employees on the  
23 active payroll on September 10, 2026, including those on approved  
24 leave of absence for ninety (90) days or less, will have their base  
25 rates increased first by application of Section 6.4(c) and then by  
26 application of a nine (9) percent general wage increase.

27 **6.3(b)(4)** Effective September 10, 2027, all employees on the  
28 active payroll on September 9, 2027, including those on approved  
29 leave of absence for ninety (90) days or less, will have their base  
30 rates increased first by application of Section 6.4(c) and then by  
31 application of a seven (7) percent general wage increase.

32 The base rate maximums set forth in Section 6.2(a) shall be similarly  
33 increased on each date set forth above.

34 **6.3(c) Base Rates After Reclassifications.** Subject to the base rate  
35 ranges provided for in Section 6.2(a), employees who are promoted will  
36 have their base rate increased by seventy-five (75) cents for each labor  
37 grade they are promoted or paid the same base rate last held by the  
38 employee in the labor grade, whichever is greater. Employees who are

1 downgraded will have their base rate decreased by fifty-six (56) cents  
2 for each labor grade they are downgraded.

3 **6.3(d) Rate Retention.** The base rate of an employee who, under  
4 Article 22, accepts downgrade rather than electing layoff shall be, for  
5 the ninety (90) calendar-day-period after the downgrade, a rate that is  
6 not less than the rate he/she held immediately preceding the downgrade.  
7 However, this provision shall not apply to any period of employment  
8 within a bargaining unit covered by this Agreement after termination,  
9 layoff, employee-requested downgrade or transfer to a unit or group to  
10 which this Agreement does not apply within the ninety (90)-day period  
11 with the following exception: if such an individual is recalled from  
12 layoff to a job title to which he/she had been downgraded, and the recall  
13 occurs less than ninety (90)-calendar-days after such downgrade, he/she  
14 will receive rate retention prospectively for the portion of the ninety  
15 (90)-calendar-day period that remained at the time of layoff. If an  
16 employee receives a Temporary Promotion (as provided in Section  
17 22.1(q)) to the job title from which he/she was most recently surplusd  
18 and the employee is receiving rate retention pay as a result of such  
19 downgrade, the 90-calendar-day period will be extended one (1) day for  
20 each day of such Temporary Promotion.

21 **6.3(e) Application of Increased New Hire Offer Rates.** The parties  
22 recognize the need to offer competitive employment opportunities to  
23 attract and retain qualified candidates in the global marketplace. If the  
24 Company increases a new hire offer amount for external candidates for  
25 certain job classifications and regions (Puget Sound, Portland and  
26 Edwards Air Force Base), the parties agree to the following:

- 27 1. The Company will ensure no previously hired employee's current  
28 pay rate in the same job classification and region will be below the  
29 revised external offer amounts for equivalent prior experience by  
30 adjusting their base rate to align with equivalent prior experience  
31 offer amount.
- 32 2. Any pay rate adjustments will become effective on the date in  
33 which a new hire starts at the higher amount, not retroactive to  
34 original hire date.
- 35 3. Additionally, the parties recognize that revising new hire offer rates  
36 to external candidates can create differences in pay relative to  
37 internally promoted employees. Therefore, the parties agree that  
38 the base rate of internally promoted employees shall be the greater  
39 of:  
40
  - the base rate calculated under Section 6.3(c);

- the base rate last held by the employee in the labor grade; or
- the same base rate a new hire is paid if the internally promoted employee has equivalent experience and qualifications as the new hire.

**Section 6.4 Cost of Living Adjustment.**

**6.4(a)** Employees covered by this Agreement shall receive Cost of Living Adjustments to the extent such adjustments become effective under and in accordance with all of the terms, conditions and limitations stated in this Section 6.4.

**6.4(b) Determination of Cost of Living Adjustments.**

**6.4(b)(1)** Determination of the potential Cost of Living Adjustment shall be made in reference to the new series "All City Average of the Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics, U.S. Department of Labor, with the following base period: 1982-84 = 100, such index being referred to herein as the BLS Index.

**6.4(b)(2)** During the life of this Agreement, subject to the proviso stated below, a Cost of Living Adjustment shall be computed by using (1) 308.2 (the three-month average of the BLS Index for May, June and July, 2024) as the base and (2) the formula 1 cent = .075 percent change in the appropriate three-month average of the BLS Index, as shown in the table below:

<b>Effective Date of Potential Adjustment</b>	<b>Based Upon the Average of the Three-Month BLS Consumer Price Indexes for</b>
December 6, 2024	August, September, October 2024
March 14, 2025	November, December 2024, January 2025
June 6, 2025	February, March, April 2025
September 12, 2025	May, June, July 2025
December 5, 2025	August, September, October 2025
March 13, 2026	November, December 2025, January 2026
June 5, 2026	February, March, April 2026
September 11, 2026	May, June, July 2026
December 4, 2026	August, September, October 2026

<b>Effective Date of Potential Adjustment</b>	<b>Based Upon the Average of the Three-Month BLS Consumer Price Indexes for</b>
March 12, 2027	November, December 2026, January 2027
June 4, 2027	February, March, April 2027
September 10, 2027	May, June, July 2027
December 3, 2027	August, September, October 2027
March 10, 2028	November, December 2027, January 2028
June 16, 2028	February, March, April 2028

1           **6.4(b)(3)** Any quarterly Cost of Living Adjustment shall be added  
2           to or subtracted from any quarterly Cost of Living Adjustment  
3           already paid during the life of this Agreement, subject to Section  
4           6.4(c), provided, however, a Cost of Living Adjustment generated  
5           in any particular quarter shall be payable only to those employees  
6           who, on an Effective Date of Potential Adjustment, are on the  
7           active payroll or on leave of absence for less than ninety (90) days.

8           **6.4(b)(4)** If the BLS Index is revised or discontinued, the parties  
9           shall attempt to determine an appropriate Index figure by  
10          agreement and, if agreement is not reached, the parties shall request  
11          the Bureau of Labor Statistics to make available a BLS Index in its  
12          present form for the appropriate date or dates and calculated on a  
13          comparable basis.

14          **6.4(c)** Cost of Living Adjustments shall not be added to or subtracted  
15          from any employee's base rate, except as herein provided.

16          On September 12, 2025, the Cost of Living Adjustment being paid to  
17          employees on that date under Section 6.4 shall be added to the  
18          employees' base rates and made a part thereof. On September 11, 2026,  
19          the Cost of Living Adjustment being paid to employees on that date  
20          under Section 6.4 shall be added to the employees' base rates and made  
21          a part thereof. On September 10, 2027, the Cost of Living Adjustment  
22          being paid to employees on that date under Section 6.4 shall be added  
23          to the employees' base rates and made a part thereof.

24          Any Cost of Living Adjustment payable during the life of this  
25          Agreement shall be added only to each employee's straight time hourly  
26          earnings. The applicable Cost of Living Adjustment shall be included

1 in computing overtime payment, third-shift bonus, vacation and holiday  
2 payment, sick leave payment and report time payment.

3 The base rate minimums and maximums set forth in Section 6.2(a) shall  
4 be increased on each date set forth above.

5 **Section 6.5 Shift Differentials, Non-regular Workweek Premium,**  
6 **Third Shift Bonus.**

7 **6.5(a) Second Shift Differential.** An employee assigned to the second  
8 shift shall receive a shift differential of one dollar and twenty-five cents  
9 (\$1.25) per hour which shall be added to his/her base rate and made a  
10 part thereof.

11 **6.5(b) Third Shift Differential.** An employee assigned to the third  
12 shift shall receive a shift differential of thirty (30) cents per hour which  
13 shall be added to his/her base rate and made a part thereof.

14 **6.5(c) Non-Regular Workweek Premium.** An employee assigned to  
15 work a non-regular workweek (other than Monday through Friday) as  
16 provided in Section 5.1 of this Agreement shall have seventy-five (75)  
17 cents per hour added to his/her base rate and made a part thereof while  
18 so assigned.

19 **6.5(d) Third Shift Bonus.** An employee who works a third shift of six  
20 and one-half (6-1/2) hours will receive a bonus equivalent to one and  
21 one-half (1-1/2) hours' pay at his/her base rate. A prorated portion of  
22 that bonus will be paid when the employee works less than six and one-  
23 half (6-1/2) hours on a regular third shift.

24 **Section 6.6 Jury Duty, Witness Duty, Military Leave, Bereavement**  
25 **Leave.**

26 **6.6(a)** An employee absent from work due to (1) required jury duty  
27 (including grand jury duty), (2) to testify as a witness for the Company,  
28 (3) to respond to a subpoena to appear as a witness in any legal  
29 proceeding, (4) to appear at an arbitration resulting from the referral, by  
30 a court, for a lawsuit that has been filed with the court (excluding  
31 arbitration pursuant to a Collective Bargaining Agreement or other  
32 contractual provisions) or (5) to respond to a subpoena to appear for a  
33 deposition will be paid for such lost hours at his/her current straight time  
34 rate, including any applicable Cost of Living Adjustment, up to a  
35 maximum of eight (8) hours per day, for each regular work day of  
36 required jury or witness duty. Employees will be excused from their  
37 scheduled shift for each day they serve. If substantial time is remaining  
38 in the work schedule after release from jury duty or witness service,

1 allowing for meal and travel time, employees should return to work.  
2 Second and third shift employees summoned to jury or witness duty will  
3 be temporarily assigned to first shift on a weekly basis during the time  
4 required to serve. Fees received for jury or witness duty will not be  
5 deducted from such pay. To be eligible for time off with pay, the  
6 employee must furnish a copy of this summons or subpoena to  
7 management, before the appearance, to indicate that the absence from  
8 work as necessary to appear for a jury duty or to serve as a witness. In  
9 addition, management may require verification of such appearance. An  
10 employee is not entitled to pay under this Section 6.6(a) in  
11 circumstances where the employee (1) is called as a witness against the  
12 Company or its interests; or (2) is called as a witness on his/her own  
13 behalf in an action in which he/she is a party; or (3) voluntarily seeks to  
14 testify as a witness; or (4) is a witness in a case arising from or related  
15 to his/her outside employment or outside business activities; or (5) is  
16 subpoenaed as a witness while on leave of absence except when serving  
17 as a Company witness.

18 **6.6(b)** The Company agrees that it will administer time away from  
19 work for Military Leave in accordance with its companywide Leave of  
20 Absence Policy Handbook “Military Affairs Administration Section 8”  
21 (the “Policy”) in effect on September 13, 2024, for the duration of this  
22 agreement unless required to modify the Policy due to state or federal  
23 legal requirements. The Company agrees to notify the Union of any  
24 legally required changes prior to implementation.

25 **6.6(c)** Up to three (3) days bereavement leave with pay will be granted  
26 to an employee on the active payroll, including those on leave of  
27 absence for not longer than ninety (90) calendar days, who, because of  
28 death in his/her immediate family, takes time off from work during  
29 his/her normal work schedule as such term is defined in Section 5.1 of  
30 this Agreement. Such pay shall be for eight (8) hours at his/her straight  
31 time base rate, including shift differential and Cost of Living  
32 Adjustment where applicable for each such day off; however, such pay  
33 will not be applicable if the employee receives pay for such days off  
34 under any other provision of this Agreement. Bereavement leave must  
35 be taken on consecutive workdays as selected by the employee within  
36 thirty (30) calendar days following the death (or evidence of belated  
37 notification of death). For the purposes of this Section 6.6(c) the  
38 "immediate family" is defined as follows: spouse, domestic partner,  
39 mother, father, aunt, uncle, mother-in-law, father-in-law, children,  
40 brother, sister, brother-in-law, sister-in-law, son-in-law, daughter-in-  
41 law, great-grandparents, grandparents, grandchildren, stepmother,



1 stepfather, stepchildren, stepbrother, stepsister, half brother, half sister  
2 and spouse's grandparents. In addition, an employee will be granted  
3 bereavement leave for a stillborn child if the employee provides a  
4 certificate of fetal death which has been certified by the attending  
5 physician.

6 **Section 6.7 Garnishments.**

7 In cases of dismissal or suspension of an employee because of writs of  
8 garnishment served upon the Company in litigation involving claims of third  
9 parties against such employee, such a dismissal or suspension will be treated  
10 as a dismissal or suspension under Section 19.3 and will be subject to the  
11 grievance procedure and other provisions of Article 19.

12 **Section 6.8 Paydays.**

13 For employees working in Washington, Kansas, and other states where  
14 mandatory direct deposit is permitted by law, paychecks will be delivered  
15 via direct deposit on Thursday of every second week, covering all wages,  
16 including overtime, earned through Thursday of the preceding week, except  
17 when other circumstances intervening beyond the Company's control make  
18 such practice impossible. For employees working in other states, paychecks  
19 shall be delivered via direct deposit on or before Thursday of every second  
20 week, or placed in the U.S. mail on or before Tuesday of every second week,  
21 covering wages, including overtime, earned through Thursday of the  
22 preceding week, except when holidays or circumstances intervening beyond  
23 the Company's control make such practice impossible. An off-cycle  
24 paycheck will be issued if an employee properly records and submits hours  
25 worked, but due to Company error, the hours are not submitted to payroll in  
26 a timely manner. However, if the hours not paid only impact additional hours  
27 beyond a regularly scheduled workweek (e.g. overtime hours), the missing  
28 hours will be paid on the next scheduled paycheck.

29 **Section 6.9 Report Time.**

30 If an employee reports for work in accordance with instructions, he/she shall  
31 receive a minimum of eight (8) hours pay at his/her straight time base rate,  
32 including shift differential and Cost of Living Adjustment where applicable.  
33 Report time will not apply in case of emergency shutdowns arising out of  
34 any condition beyond the Company's control. An employee who leaves  
35 work of his/her own volition, or because of incapacity (other than industrial  
36 injury or illness), or is discharged or suspended after beginning work, will  
37 be paid only for the number of hours actually worked during that day. An  
38 employee who leaves work because of incapacity due to industrial injury or  
39 illness will be paid eight (8) hours pay at his/her straight time base rate,  
40 including shift differential and Cost of Living Adjustment where applicable.

1     **Section 6.10 Overtime.**

2     **6.10(a)** The Company will first attempt to meet its overtime  
3 requirements on a voluntary basis from among employees who  
4 normally perform the particular work activity on a straight time basis.  
5 The phrase “employees who normally perform the particular work  
6 activity on a straight time basis” applies to employees who have  
7 performed the work, within the crew (1<sup>st</sup> line manager) and the shift,  
8 during the week of the overtime requirement. Employees in their  
9 probationary period may be excluded from overtime. In the event there  
10 are insufficient volunteers to meet the requirement, the supervisor may  
11 designate and require the necessary number of employees to work the  
12 overtime.

13     **6.10(b) Overtime Scheduling Procedures for Extended Workday**  
14 **or Workweek.**

15     (1) The normal practice for the advance scheduling of overtime  
16 within the shop and shift will be to:

17           (a) First, ask the employee regularly assigned to either the  
18 machine, job, crew or position providing the employee is  
19 in attendance when the overtime is being assigned,  
20 provided, however, that the Company may designate that  
21 employee to work the overtime before proceeding to  
22 Subparagraph 6.10(b)(1)(b).

23           (b) Then, ask other qualified employees in the same job  
24 classification who are in attendance when the overtime is  
25 being assigned.

26           (c) If sufficient volunteers are not obtained, the Company  
27 may designate any employee to satisfy remaining  
28 requirements.

29     (2) Management may exclude an employee from overtime, even if  
30 the employee is in attendance when the overtime is being  
31 assigned, if:

32           (a) The employee has been absent during the week, except for  
33 sick leave, jury duty, witness service, bereavement leave,  
34 military leave, authorized Union business, previously  
35 scheduled vacation or absence due to industrial injury or  
36 illness.

37           (b) Employees who use sick leave (or Family and Medical  
38 Leave) for any lawful purpose on the work day preceding

1 the overtime day (Saturday/Sunday) will not be excluded  
2 from overtime as long as the employee has notified  
3 management of their continued availability to work the  
4 scheduled weekend overtime. If availability is not  
5 reported it will be assumed the employee is unable to work  
6 the weekend overtime. Employees who use contractual  
7 bereavement leave under Section 6.6(c) on a work day  
8 preceding the overtime day (Saturday/Sunday) may still  
9 be excluded from working overtime.

10 (c) Three (3) consecutive weekends have been worked by the  
11 employee.

12 (d) One hundred sixty (160) overtime hours have been  
13 worked in the budget quarter.

14 (e) Eight (8) overtime hours have been worked on the  
15 Saturday or the Sunday.

16 (f) An employee's schedule performance or work quality is  
17 currently documented as being deficient.

18 (3) If the whole shift of a shop/functional area/crew or position is  
19 scheduled to work a six (6) or seven (7)-day week, all  
20 employees in the shop/functional area/crew or position will be  
21 required to report for weekend work, regardless of whether or  
22 not they were absent during the week, except when an  
23 employee has previously scheduled the use of vacation,  
24 bereavement leave or military leave on Friday preceding the  
25 weekend, or a Monday following the weekend, or unless  
26 Sections (2)(c), (2)(d) or (2)(e) of this Section 6.10(b) apply.

27 **6.10(c)** The following subparagraphs of this Section 6.10(c) shall apply  
28 to continuous work periods (continuous except for lunch and rest  
29 periods) that begin at or after 10:00 P.M. Sunday (or the day treated as  
30 the employee's Sunday under Section 5.1) and prior to 6:01 P.M. Friday  
31 (or the day prior to the day treated as the employee's Saturday under  
32 Section 5.1):

33 **6.10(c)(1)** Time worked within an assigned shift period shall be  
34 compensated at straight time rates.

35 **6.10(c)(2)** For time worked outside of his/her assigned shift, by an  
36 employee on first or second shift, an employee shall be paid one  
37 and one-half times his/her base rate for the first two (2) hours and  
38 double his/her base rate thereafter.

1           **6.10(c)(3)** For time worked outside of his/her assigned shift, by an  
2 employee on third shift, an employee shall be paid one and one-half  
3 times his/her base rate for the first one and one-half hours and  
4 double his/her base rate thereafter.

5           **6.10(d)** The following subparagraphs of this Section 6.10(d) shall  
6 apply to continuous work periods (continuous except for lunch and rest  
7 periods) that begin at or after 6:01 P.M. Friday (or the day prior to the  
8 day treated as the employee's Saturday under Section 5.1) and prior to  
9 10:00 P.M. Sunday (or the day treated as the employee's Sunday under  
10 Section 5.1):

11           **6.10(d)(1)** In any continuous period of work (continuous except  
12 for lunch periods and rest periods) the work will be deemed to have  
13 been performed on the shift and day shown below:  
14

<b>If Work Period Starts</b>	<b>Shift</b>	<b>Day</b>
6:01 P.M. Friday through 1:30 A.M. Saturday	3 <sup>rd</sup>	Saturday
1:31 A.M. Saturday through 10:00 A.M. Saturday	1 <sup>st</sup>	Saturday
10:01 A.M. Saturday through 6:00 P.M. Saturday	2 <sup>nd</sup>	Saturday
6:01 P.M. Saturday through 1:30 A.M. Sunday	3 <sup>rd</sup>	Sunday
1:31 A.M. Sunday through 10:00 A.M. Sunday	1 <sup>st</sup>	Sunday
10:01 A.M. Sunday through 9:59 P.M. Sunday	2 <sup>nd</sup>	Sunday

15           **6.10(d)(2)** For the first eight (8) hours of work by an employee on  
16 the first day of his/her two (2) consecutive days of rest, who is  
17 assigned on that day to work the first or second shift, such  
18 employee shall be paid one and one-half times his/her base rate for  
19 that shift and double such base rate thereafter.

20           **6.10(d)(3)** For the first six and one-half (6-1/2) hours of work by  
21 an employee on the first day of his/her two (2) consecutive days of  
22 rest, who is assigned on that day to work the third shift, such  
23 employee shall be paid one and one-half times his/her base rate for  
24 that shift and double such base rate thereafter.

25           **6.10(d)(4)** Any time worked on the second day of an employee's  
26 two (2) consecutive days of rest shall be paid for at double his/her

1 base rate for such shift and such double time shall remain in effect  
2 for all hours continuously worked.

3 **6.10(d)(5)** No weekend overtime assignments shall be required to  
4 begin earlier than the employee's normal work schedule as defined  
5 in Section 5.3.

6 **6.10(e)** In lieu of the provisions of Sections 6.10(c) and 6.10(d),  
7 overtime worked in any of the following circumstances shall be paid at  
8 double the employee's base rate:

- 9 (1) more than one hundred sixty (160) overtime hours in the  
10 budget quarter; or  
11 (2) on a weekend immediately following three (3) consecutive  
12 weekends worked by the employee.

13 **Section 6.11 Wage Payment Basis.**

14 Employees shall be paid for time worked computed to the nearest one-tenth  
15 hour. Overtime will be paid in the next regularly scheduled paycheck.

16 **Section 6.12 New Assignments.**

17 When employees are assigned to work in a higher or lower labor grade, the  
18 new pay rate shall be effective upon starting the new assignment, and shall  
19 be reflected in the employee's paycheck not later than the third payday  
20 subsequent to the date on which the new assignment begins.

21 **Section 6.13 Pay Additives.**

22 The below pay additives will be paid to eligible employees (as defined  
23 below):

24 **6.13(a) Airframe License Pay Additive.** An employee assigned to the  
25 Aviation Maintenance Technician and/or Inspector job families (97110,  
26 C2710 and 92310) who holds a valid Federal Aviation Administration  
27 Airframe License will be paid a premium of one dollar and twenty-five  
28 cents (\$1.25) per hour.

29 **6.13(b) Powerplant License Pay Additive.** An employee assigned to  
30 the Aviation Maintenance Technician and/or Inspector job families  
31 (97110, C2710 and 92310) who holds a valid Federal Aviation  
32 Administration Powerplant License will be paid a premium of one  
33 dollar and twenty-five cents (\$1.25) per hour.

34 **6.13(c) Group Coordinator Pay Additive.** An employee assigned to  
35 perform the role of the Group Coordinator, will be paid a premium of  
36 two dollars (\$2.00) per hour.

1 **6.13(d) Security Clearance Pay Additives.** Effective November 8,  
 2 2024, an employee that holds a security clearance, and is assigned and  
 3 performing work that requires a clearance, will be paid the following  
 4 additive in those circumstances (if an employee holds more than one  
 5 clearance, only the highest level required for their current work  
 6 assignment will be paid):

Type of Clearance	Allowance (per/hr)
Secret	\$2.00
Top Secret/Program Clearance/Yankee White	\$3.00
SSBI/SCI/Polygraph/Special Access	\$4.00

7 **6.13(e) Oregon General Supervising Electrician License Pay**  
 8 **Additive.** An employee classified as an Electronics Maintenance  
 9 Technician, job code 87510, in the Portland Unit who holds an Oregon  
 10 State General Supervising Electrician license and is on file with the state  
 11 as an authorized party to perform work under their registered license at  
 12 Boeing in accordance with Oregon State Rule 918-282-0140 shall be  
 13 paid seventy-five (75) cents per hour. If this license is removed from  
 14 Boeing's Oregon State Master Permit Program, is revoked and/or  
 15 expires, the premium pay will discontinue.

16 **6.13(f) Plumber Maintenance Pay Additives.** An employee classified  
 17 as a Plumber Maintenance, job code 81109, who maintains an Oregon  
 18 or Washington State Plumber Certification (License) or can show proof  
 19 of current or past Building Trade Journeyman Steamfitter/Pipefitter  
 20 membership, will receive seventy-five (75) cents per hour. An  
 21 employee classified as a Plumber Maintenance, job code 81109, who  
 22 maintains a State of Oregon or Washington Backflow Assembly Tester  
 23 (BAT) certification, will be eligible to receive seventy-five (75) cents  
 24 per hour. Employees are eligible to receive both pay additives provided  
 25 they satisfy the requirements of each. If any of these  
 26 license/certifications are revoked or expire, the premium pay will  
 27 discontinue.

1 **6.13(g) Prime Power Pay Additive.** An employee classified as an  
2 Electrician Installation and Maintenance A, job code C2009, assigned  
3 the role of Prime Power, will be paid a premium of seventy-five (75)  
4 cents per hour.

5 **6.13(h) Tankline Pay Additives.** An employee classified as Plumber  
6 Maintenance A (81109); Heating, Ventilating, Air Conditioning,  
7 Refrigeration Technician (69210); Electrician Installation and  
8 Maintenance A (C2009); Machine Repair Mechanic A (89509);  
9 Millwright A (80508); Maintenance Utility Worker (C4003) and  
10 Electronic Technician Infrastructure Maintenance (87510/87110),  
11 assigned the role of maintaining/cleaning tanklines will be paid a  
12 premium of seventy-five (75) cents per hour.

13 **ARTICLE 7**  
14 **HOLIDAYS**

15 **Section 7.1 Dates on Which Observed.**

16 The following holidays shall be observed by the Company for the purposes  
17 set forth in this Article 7:

2024 Holidays	Day	Date of Observance
Thanksgiving Day	Thursday	November 28, 2024
Friday following Thanksgiving	Friday	November 29, 2024
Winter Break	Tuesday	December 24, 2024
Winter Break	Wednesday	December 25, 2024
Winter Break	Thursday	December 26, 2024
Winter Break	Friday	December 27, 2024
Winter Break	Monday	December 30, 2024
Winter Break	Tuesday	December 31, 2024

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



2027 Holidays	Day	Date of Observance
Winter Break	Friday	January 1, 2027
Memorial Day	Monday	May 31, 2027
Independence Day	Monday	July 5, 2027
Labor Day	Monday	September 6, 2027
Thanksgiving Day	Thursday	November 25, 2027
Friday following Thanksgiving	Friday	November 26, 2027
Winter Break	Friday	December 24, 2027
Winter Break	Monday	December 27, 2027
Winter Break	Tuesday	December 28, 2027
Winter Break	Wednesday	December 29, 2027
Winter Break	Thursday	December 30, 2027
Winter Break	Friday	December 31, 2027
2028 Holidays	Day	Date of Observance
Winter Break	Monday	January 3, 2028
Memorial Day	Monday	May 29, 2028
Independence Day	Tuesday	July 4, 2028
Labor Day	Monday	September 4, 2028

**7.1 (a) Floating Holiday.**

Effective January 1, 2025, and each January 1 thereafter, employees shall receive one (1) annual floating holiday to be used in a full day increment. Employees hired on or after October 2<sup>nd</sup> will not be eligible for the floating holiday until January 1st following their date of hire.

**7.1(a)(1)** Employees will be required to schedule the floating holiday with management five (5) work days prior to usage. Requests to schedule will not be unreasonably denied.

**7.1(a)(2)** If a floating holiday is not used, it will be forfeited at the end of each year and will not be eligible for payout upon separation from the Company unless otherwise required by law.

**Section 7.2 Unworked Holidays.**

Employees shall receive eight (8) hours pay for unworked holidays (those holidays designated above), at their base rate in effect at the time the holiday occurs, plus applicable shift differential and Cost of Living Adjustment, if, on the holiday, they are on the active payroll, including those on approved

1 leave of absence for not longer than ninety (90) calendar days. Employees  
2 not on leave of absence who take leave without pay (LWOP) at the time the  
3 holiday occurs shall be eligible for holiday pay.

4 **Section 7.3 Worked Holidays.**

5 Employees who are required to work on the above-named holidays shall  
6 receive the pay due them for the holiday, plus double their base rate for all  
7 hours worked on such holiday, plus shift differential and Cost of Living  
8 Adjustment, if applicable, unless the employee starts to work at 10:00 P.M.,  
9 or thereafter on that day.

10 **Section 7.4 Holidays During Vacation.**

11 Should a holiday occur while an employee is on vacation, the employee shall  
12 be allowed to take one (1) extra day of vacation with pay in lieu of the  
13 holiday as such.

14 **Section 7.5 Employees on Non-regular Workweek.**

15 For those employees who regularly work on Saturday and/or Sunday,  
16 receiving two (2) consecutive days off during the week, the two (2) days off  
17 shall be treated as "Saturday" and "Sunday," in that order, for the purposes  
18 of this Article 7. Should any of the holidays observed by the Company occur  
19 on such a "Sunday," the following day shall be considered as a holiday for  
20 such employees. Should any of the holidays observed by the Company  
21 occur on such a "Saturday," the preceding day shall be considered as a  
22 holiday for such employees.

23 **Section 7.6 Employees Prevented from Working Because of Local**  
24 **Holidays.**

25 Employees assigned to a non-Boeing facility where (due to the fact that a  
26 holiday not listed in Article 7 but recognized at that facility) they are  
27 prevented from working their assigned shift, they nonetheless shall be paid  
28 for such assigned shift.

29 **Section 7.7 Employees on Third Shift.**

30 Those employees who are assigned to work on third shift shall observe  
31 holidays in accordance with Sections 7.1 through 7.6 except when  
32 Independence Day falls on a Monday, Tuesday, Wednesday or a Thursday.  
33 When this occurs, they shall observe the Independence Day holiday on the  
34 fifth of July.

1 **ARTICLE 8**  
2 **VACATION, SICK LEAVE, FINANCIAL SECURITY PLAN**

3 **Section 8.1 General Description of Credit.**

4 An employee subject to this Agreement shall be credited with a certain  
5 number of hours of credit for the purposes of this Article 8, based upon hours  
6 worked, during his/her first year of service and each succeeding year, such  
7 credit to be earned and used as designated in this Article 8.

8 **Section 8.2 Computation of Credit.**

9 The weekly credit to which an employee shall be entitled shall be computed  
10 in accordance with the following rules:

11 **8.2(a)** An employee with less than five (5) years of seniority will earn  
12 one (1) hour credit for each seventeen (17) hours worked.

13 **8.2(b)** An employee with five (5) or more but less than ten (10) years  
14 of seniority will earn one (1) hour credit for each sixteen (16) hours  
15 worked.

16 **8.2(c)** An employee with ten (10) or more but less than fifteen (15)  
17 years of seniority will earn one (1) hour credit for each thirteen (13)  
18 hours worked.

19 **8.2(d)** An employee with fifteen (15) or more but less than twenty (20)  
20 years of seniority will earn one (1) hour credit for each twelve (12) hours  
21 worked.

22 **8.2(e)** An employee with twenty (20) or more but less than twenty-five  
23 (25) years of seniority will earn one (1) hour credit for each eleven (11)  
24 hours worked.

25 **8.2(f)** An employee with twenty-five (25) or more years of seniority  
26 will earn one (1) hour credit for each ten (10) hours worked.

27 **8.2(g)** Seniority shall be the seniority as defined in Article 14.

28 **8.2(h)** Each hour worked on third shift shall be increased, at the ratio  
29 of eight (8) to six and one-half (6-1/2) for the purpose of computing  
30 credit. Third shift employees shall accrue and use all sick leave (whether  
31 by virtue of this Agreement and/or by virtue of law) on hours paid.

32 **8.2(i)** Total credit for any period of service will be computed to the  
33 nearest tenth of an hour.

34 **8.2(j)** All hours for which an employee is paid will be counted as hours  
35 worked in the computation of credit and hours worked at premium rates  
36 shall be counted as straight time hours in such computation.

1 **Section 8.3 Eligibility to Use Credit.**

2 Eligibility for use of credit shall be determined as follows:

3 **8.3(a)** An employee becomes eligible to use his/her credit as provided  
4 in Section 8.4, once the weekly credits are awarded.

5 **8.3(b)** The eligibility date of an employee newly hired or hired after  
6 termination of employment shall occur on the anniversary date of such  
7 hire.

8 **8.3(c)** An employee who had established an eligibility date prior to the  
9 effective date of this Agreement will retain such eligibility date so long  
10 as he/she remains in the continuous service of the Company.

11 **8.3(d)** Time on layoff and time on authorized leave of absence will be  
12 considered as continuous service for the purpose of establishing and  
13 retaining eligibility dates.

14 **Section 8.4 Use of Credit.**

15 Credit earned by any employee is to be used as follows:

16 **8.4(a) Allocation of Portion of Credit to Sick Leave Credit and to**  
17 **Vacation Credit.** The first forty (40) hours credited shall be allocated  
18 to the employee's Sick Leave Credit. Additional sick leave credit may  
19 be earned in accordance with applicable law.

20 All hours credited in excess of the number of hours to be allocated to  
21 the employee's Sick Leave Credit as aforesaid, shall be referred to as  
22 the employee's Vacation Credit.

23 **8.4(b) Use of Vacation Credit as Vacation With Pay or Sick Leave.**  
24 Between eligibility dates, an employee shall use his/her unused  
25 Vacation Credit accumulated in the twelve (12)-month period preceding  
26 his/her last eligibility date as vacation with pay at the rate in effect for  
27 each day of the vacation period, including shift differential, if  
28 applicable, subject to the following conditions:

29 **8.4(b)(1)** He/she shall request vacation dates on forms provided by  
30 the Company and the Company will endeavor to schedule his/her  
31 vacation as requested. Generally, Vacation Credit will be used in  
32 units of eight (8) hours; however, Credit may be used in lesser  
33 amounts to cover partial days of absence, subject to advance  
34 approval by the employee's supervisor.

35 **8.4(b)(2)** In instances where Company management believes the  
36 awarding of vacations as requested would interfere seriously with

1 production requirements, the scheduling of vacations shall be as  
2 near to the dates requested as possible.

3 **8.4(b)(3)** In scheduling vacations, the Company will attempt to  
4 meet its production requirements by use of employees on a  
5 voluntary basis and, failing in this, the seniors will be given their  
6 preference of available vacation dates when request is made thirty  
7 (30) or more days prior to the vacation dates requested to the extent  
8 established vacation schedules will permit.

9 **8.4(b)(4)** In the event an employee is temporarily laid off as  
10 provided in Section 22.8 or is on approved leave of absence, he/she  
11 may elect to take his/her vacation with pay, to the extent of his/her  
12 eligibility, during such layoff or leave.

13 **8.4(b)(5)** If an employee's Sick Leave Credit is exhausted,  
14 management shall allow an employee to use vacation credit to care  
15 for a child, spouse, parent, parent-in-law, or grandparent as may be  
16 required by law. Management shall also allow an employee to use  
17 Vacation Credit as sick leave for legitimate reasons for absence  
18 under the same conditions as set forth in Subparagraph 8.4(c)(1).

19 **8.4(c) Use of Sick Leave Credit as Sick Leave.** Sick Leave Credit  
20 may be used as follows:

21 **8.4(c)(1) General.** Between eligibility dates, an employee,  
22 including an employee on a leave of absence, may, at his/her  
23 option, use any part or all of his/her Sick Leave Credit as sick leave  
24 providing: (A) the employee is partially or wholly incapacitated by  
25 actual illness or injury on the days taken as sick leave, (B) an illness  
26 in the employee's immediate family requires the employee's  
27 presence, (C) the employee has a medical or dental appointment  
28 which can be scheduled only during working hours, or (D) any  
29 other reason permitted by applicable law. The employee shall be  
30 paid for absence charged to sick leave and shall not be penalized  
31 for such absence providing the nature of the absence and  
32 anticipated length of absence is reported to his/her organization on  
33 the first day of such absence, or as soon thereafter as reasonably  
34 possible. As to possible rights after exhaustion of Sick Leave  
35 Credit, see Subparagraph 8.4(b)(5) and Section 8.5(a).

36 **8.4(d) Unused Vacation Credit.** It is the intent of the parties that  
37 employees shall be required to use Vacation Credit as vacation.  
38 However, where an employee does not use all or part of such Vacation  
39 Credit as vacation with pay during the year between vacation eligibility  
40 dates, any remaining hours of Vacation Credits will carryover into the

1 next eligibility year. Vacation Credits so carried over must be used  
 2 during the next eligibility year. Pay in lieu of Vacation Credits carried  
 3 over will not be allowed until the end of the eligibility year following  
 4 the eligibility year in which the carryover is made. The employee may  
 5 request to receive pay in lieu of any remaining unused Vacation Credit.  
 6 All payments in lieu of vacations shall be made at the employee's rate  
 7 in effect on the employee's current vacation eligibility date, including  
 8 shift differential where applicable.

9 **8.4(e) Unused Sick Leave Credit.** An employee who, on any  
 10 eligibility date, has more than forty (40) unused hours in his/her Sick  
 11 Leave Credit, less the number of leave without pay hours taken during  
 12 the eligibility year, will receive pay-in-lieu of those hours over forty  
 13 (40) in accordance with the following table:  
 14

<b>Hours of Unused Sick Leave Credit in Excess of 40</b>	
<b>(Less Leave Without Pay Hours)</b>	<b>Percentage Payment</b>
40 hours	160%
36 to 40 hours	150%
32 to 36 hours	140%
28 to 32 hours	130%
24 to 28 hours	120%
20 to 24 hours	110%
less than 20	100%

15 Such payments shall be made at the employee's rate in effect on that  
 16 eligibility date, including shift differential where applicable.  
 17 Notwithstanding the above, there will be no deduction for leave without  
 18 pay hours taken for the following reasons: departure from work for  
 19 Union business pursuant to Section 4.9; temporary layoff pursuant to  
 20 Section 22.8; time loss as a result of industrial injury or illness;  
 21 authorized military leave of absence pursuant to Section 6.6(b),  
 22 emergency plant closure, or qualifying absences granted in accordance  
 23 with applicable law.

24 **8.4(f) Effect of Termination.** Upon termination of an employee's  
 25 employment for any reason on or after any eligibility date, such  
 26 employee shall receive pay in lieu of his/her hours of Vacation Credit  
 27 and Sick Leave Credit earned and unused up to and including the  
 28 effective date of his/her termination of employment. For the purposes  
 29 of this Section 8.4(f) only, an employee shall be deemed to have  
 30 terminated on or after his/her first eligibility date if he/she worked on

1 his/her last scheduled workday prior to that eligibility date. Such pay  
2 shall be in addition to such benefits as may be payable to the employee  
3 under the Financial Security Plan.

4 **8.4(g) Effect of Military Service on Credit.** Any employee who  
5 leaves to enter military service shall receive pay in lieu of his/her hours  
6 of Vacation Credit and Sick Leave Credit earned and unused up to the  
7 effective date of termination irrespective of whether he/she has been  
8 employed until his/her eligibility date. Such payment will be made  
9 when the employee furnishes proof, satisfactory to the Company, of  
10 his/her entry into military service within sixty (60) days after  
11 termination and without intervening employment elsewhere. Such pay  
12 shall be in addition to such benefits as may be payable to the employee  
13 under the Financial Security Plan.

14 **8.4(h) Effect of Layoff on Credit.** Any employee who is laid off (on  
15 other than a temporary layoff of fourteen (14) calendar days or less)  
16 shall receive pay in lieu of all of his/her hours of Vacation Credit and  
17 Sick Leave Credit earned and unused up to the effective date of layoff  
18 irrespective of whether he/she has been employed until his/her  
19 eligibility date. Such pay shall be in addition to such benefits as may  
20 be payable to the employee under the Financial Security Plan.  
21 Employees temporarily laid off shall not receive pay in lieu of unused  
22 Credit.

23 **8.4(i) Use of Credit in Lieu of Working Short Workweek.** In the  
24 event the Company deems it advisable to work an employee on a short  
25 workweek as provided in Article 5, Section 5.2, the employee may:

26 **8.4(i)(1)** elect against working the short workweek in which case  
27 he/she may apply for and use his/her unused Credit accumulated in  
28 the twelve (12)-month period preceding his/her last eligibility date  
29 (to the extent that it is not allocated or required to be allocated to  
30 his/her Sick Leave Credit) as time off with pay at the rate in effect  
31 on the day(s) such credit is used, including shift differential if  
32 applicable, or

33 **8.4(i)(2)** elect to work the short workweek and apply for and use  
34 such unused Credit as time off with pay for the regular workdays  
35 that are not worked in the short workweek, or

36 **8.4(i)(3)** elect layoff, in which case the provisions of Section  
37 8.4(h) above shall apply.

1     **Section 8.5 Financial Security Plan.**

2             **8.5(a) Use of Accrued Financial Security Plan Benefits.** The  
3     Financial Security Plan is not applicable to employees within the units  
4     to which this Agreement relates. However, after October 4, 1983, an  
5     employee who has transferred into a unit defined in Article 1 who has  
6     an accrued benefit under the Financial Security Plan shall retain such  
7     accrued benefit under the Plan subject to the current withdrawal and  
8     termination provisions of the Plan applicable to the employee's unit  
9     before transfer.

10            **8.5(b) Deferral of Benefit Payment.** A Member may defer payment  
11    of benefits upon termination of Service regardless of the amount of the  
12    Member's account balance.

13            **8.5(c) Annuity Form of Benefit Payment.** A Member to whom a  
14    benefit is payable on account of retirement under a retirement plan  
15    sponsored by the Company may, prior to the Member's retirement date  
16    under such retirement plan, elect to receive all or any designated portion  
17    of this Plan benefit in an alternate annuity form regardless of the amount  
18    of the Member's account balance.

19    **ARTICLE 9**  
20    **401(k) PLAN**

21     **Section 9.1 Continuation of Plan.**

22     Subject to the approval of the Commissioner of Internal Revenue and of  
23     other cognizant governmental authorities, as more particularly hereinafter  
24     specified, The Boeing Company 401(k) Retirement Plan (formerly known  
25     as The Boeing Company Voluntary Investment Plan) (hereinafter called the  
26     Plan or 401(k) Plan) in the form now in effect as to the employees within the  
27     units to which this Agreement relates shall continue to be effective while  
28     this Agreement is in effect as to such employees in accordance with and  
29     subject to the terms, conditions, and limitations of the Plan.

30     **Section 9.2 Approval of Plan.**

31     Approval of the Plan by the Commissioner of Internal Revenue as referred  
32     to in Section 9.1 means a continuing approval sufficient to establish that the  
33     Plan and related trust or trusts are at all times qualified and exempt from  
34     income tax under Section 401(a), Section 401(k) and other applicable  
35     provisions of the Internal Revenue Code of 1986 and that contributions made  
36     by the Company under the Plan are deductible for income tax purposes in  
37     accordance with law. The cognizant governmental authorities referred to in  
38     Section 9.1 include, without limitation, the Department of Labor and the  
39     Securities and Exchange Commission, and their approval means their



1 confirmation with respect to any matter within their regulatory authority that  
2 the Plan does not conflict with applicable law.

### 3 **Section 9.3 Continuation Beyond Agreement.**

4 The Company shall not be precluded from continuing the Plan in effect as  
5 to employees within the units to which this Agreement relates, after  
6 expiration or termination of this Agreement, subject to the terms, conditions,  
7 and limitations of the Plan.

### 8 **Section 9.4 Plan Updates.**

9 The parties agree the innovations in technology and administrative practices  
10 can give savings plan participants better access to information about their  
11 benefits, increased investment options, timely on-line transactions capability  
12 and enhanced administrative features. Accordingly, when the Company  
13 identifies administrative services that in its estimation reflect industry best  
14 practices, the Employee Benefit Plans Committee has discretion to adopt  
15 these changes to the Plan. The Company will notify the Union in advance  
16 of implementation of any changes adopted by the Employee Benefit Plans  
17 Committee.

### 18 **Section 9.5 Company Matching Contributions**

19 The Company matching contribution shall be equal to seventy-five (75)  
20 percent of the first eight (8) percent of the employee's contributions through  
21 the payroll period that ends January 2, 2025. Effective as of the payroll  
22 period that begins January 3, 2025, the Company matching contribution  
23 shall equal one hundred (100) percent of the first eight (8) percent of an  
24 employee's contributions.

### 25 **Section 9.6 Current Plan.**

26 Subject to action by the Company's Board of Directors (or its delegate, the  
27 Employee Benefit Plans Committee) and to the approvals specified in  
28 Section 9.2, all provisions of the Plan are to remain unchanged, including  
29 the following:

30 **9.6(a)** Employees may contribute up to thirty (30) percent on a pre-tax  
31 basis, a Roth basis, an after tax basis, or a combination of all three, in one  
32 (1) percent increments.

33 **9.6(b)** Employees will be eligible for an additional Special Company  
34 Retirement Contribution under the Plan. Each pay period, the Company  
35 will contribute to the Plan an amount equal to four (4) percent of the  
36 employee's eligible pay for that pay period.

37 Eligible pay, for the purpose of calculating the Special Company  
38 Retirement Contribution is base pay, shift differential, pay additives  
39 (e.g., team leader, A&P, etc.), overtime premium, paid time off

1 (excluding payout of unused benefits), cost of living adjustments  
2 (COLA) and Aerospace Machinists Performance Program (AMPP)  
3 payments paid on or after January 1, 2015 and before the end of the  
4 payroll cycle following his or her termination of employment.  
5 Employees will be one hundred (100) percent vested immediately in the  
6 Special Company Retirement Contribution.

7 **9.6(c)** Effective January 1, 2016, those employees who are contributing  
8 less than four (4) percent to the Plan, will be automatically enrolled at a  
9 rate of four (4) percent of eligible compensation (as defined in the Plan)  
10 on a pretax basis on April 1, 2016.

11 All newly hired or rehired employees on or after January 1, 2016 will  
12 continue to be automatically enrolled at a rate of four (4) percent of  
13 eligible compensation (as defined in the Plan) on a pretax basis as soon  
14 as practicable.

15 Employees automatically enrolled may elect to opt out or enroll at a  
16 different percentage at any time in accordance with the Plan provisions  
17 and procedures.

18 Effective April 1, 2017, and each April 1 thereafter, employees  
19 automatically enrolled at a rate of four (4) percent on or after April 1,  
20 2016 as described above and any newly hired or rehired employees  
21 automatically enrolled during 2016 or any subsequent year as described  
22 above, who remain automatically enrolled on such April 1, will have  
23 contributions increased with a one (1) percent escalation annually,  
24 beginning on April 1 of the year following the year in which they are  
25 automatically enrolled and each April 1 thereafter, up to eight (8) percent  
26 of eligible compensation. Employees who opt out or enroll at a different  
27 percentage prior to any April 1 on which an automatic escalation is to  
28 take effect will not be auto-escalated on such April 1, or any April 1  
29 thereafter. This automatic escalation of an employee contribution will  
30 be administered in accordance with the Plan provisions and procedures.

31 **9.6(d)** Effective January 1, 2015, eligible employees may elect to defer  
32 all or a portion (in whole percentage increments) of any Aerospace  
33 Machinists Performance Program (AMPP) payment on a pre-tax basis  
34 into the Plan, subject to Plan contribution limits and without any  
35 Company matching contribution, at the employee's annual election and  
36 pursuant to procedures established by the Plan Administrator. AMPP  
37 payments eligible for deferral are limited to payments made on or after  
38 January 1, 2015, and before the end of the payroll cycle following his or  
39 her termination of employment. AMPP payments will not be counted for

1 purposes of the automatic enrollment or auto-escalation provisions of  
2 paragraph 9.6(c) above.

3 **9.6(e)** The Company will provide an advisor service which includes  
4 general retirement planning and personalized investment advice to  
5 participants with account balances in the Plan. Additionally, a fee-for-  
6 service professional account manager option will be offered as part of the  
7 advisor service, where participants may elect to have account balances in  
8 the Plan actively managed. Fees for the professional account manager  
9 option will be charged to the plan accounts of those Plan participants who  
10 elect the option.

11 **9.6 (f)** The following provisions of Section 10.9(b) of the Plan relating  
12 to hardship withdrawals shall not apply to the Special Company  
13 Retirement Contribution described in paragraph (b), i.e., such events  
14 shall not constitute a financial hardship for which a withdrawal is  
15 available: Section 10.9(b)(2) (purchase of a principal residence), Section  
16 10.9(b)(3) (post-secondary tuition, fees and room and board expenses),  
17 Section 10.9(b)(6) (repairs to a principal residence) and Section  
18 10.9(b)(7) (leave of absence without pay for more than fifteen (15) days).

### 19 **Section 9.7 Required Plan Amendments.**

20 The Company, through the Board of Directors (or its delegate, the Employee  
21 Benefit Plans Committee) reserves the right to amend the Plan to satisfy all  
22 requirements of laws applicable to the Plan, including but not limited to  
23 Section 401(a), Section 401(k) or any other applicable provision of the  
24 Internal Revenue Code of 1986, as amended, or to satisfy fiduciary duties  
25 under the Employee Retirement Income Security Act of 1974, as determined  
26 by the Company, or to satisfy federal or state securities laws.

### 27 **Section 9.8 Participant Elective Contributions Not Applicable for** 28 **Other Purposes.**

29 It is acknowledged that the election of a member to convert a portion of his  
30 or her eligible pay (as defined in Section 9.6 above) under the terms of the  
31 Plan will be effective for purposes of this Plan and will reduce the member's  
32 compensation insofar as certain payroll taxes may be applicable. However,  
33 for all other employment related purposes, including all of the member's  
34 rights and privileges under this labor agreement, his or her base pay or  
35 compensation will be considered as though no election had been made.

**ARTICLE 10**  
**RETIREMENT PLAN**

**Section 10.1 Continuation of Plan.**

Subject to the approval of the Commissioner of Internal Revenue and of other cognizant governmental authorities, as more particularly hereinafter specified, and to the provisions of Section 10.6, a retirement plan (hereinafter called the Plan) in the form now in effect as to the employees within the units to which this Agreement relates shall continue to be effective while this Agreement is in effect as to such employees in accordance with and subject to the terms, conditions, and limitations of the Plan.

**Section 10.2 Approval of Plan.**

Approval of the Plan by the Commissioner of Internal Revenue as referred to in Section 10.1 means a continuing approval sufficient to establish that the Plan and related trust or trusts are at all times qualified and exempt from income tax under Sections 401(a) and 501(a), respectively, and other applicable provisions of the Internal Revenue Code of 1986, and that contributions made by the Company under the Plan are deductible for income tax purposes in accordance with law. The cognizant governmental authorities referred to in Section 10.1 include, without limitation, the Department of Labor, the Pension Benefit Guaranty Corporation and the Securities and Exchange Commission, and their approval means their confirmation with respect to any matter within their regulatory authority that the Plan does not conflict with applicable law.

**Section 10.3 Continuation Beyond Agreement.**

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

**Section 10.4 Grievances as to the Plan.**

Only questions concerning the amount of Credited Service under the Plan that an employee has accumulated by reason of employment after the effective date of the Plan shall be subject to the grievance procedure of Article 19 of this Agreement.

**Section 10.5 Benefits.**

The Plan uses two formulas to determine a retired employee's pension benefit, the standard and alternate benefit formulas as described in the Plan. The retired employee will receive benefits under the formula that produces the larger monthly benefit.

1     **Section 10.6 Changes to the Current Plan.**

2     Subject to action by the Company's Board of Directors, or its delegates, and  
3     to the approvals specified in Section 10.2, except as the parties may  
4     otherwise agree pursuant to any Letter of Understanding, all provisions of  
5     The Boeing Company Employee Retirement Plan are to remain unchanged  
6     with the exception of the following amendments. Changes agreed to in the  
7     Collective Bargaining Agreement of September 29, 2005, as amended by  
8     the December 7, 2011, contract extension, are incorporated into the Plan.

9             **10.6(a) Basic Benefit.** Effective January 1, 2009, the Basic Benefit  
10            will be increased to \$81.00 per month for all years of credited service  
11            for employees on the active payroll of the Company, or those on an  
12            authorized period of absence on or after January 1, 2009 (including  
13            those who retire from the employ of the Company on January 1, 2009).

14            Effective January 1, 2012, the Basic Benefit will be increased to \$83.00  
15            per month for all years of credited service for employees on the active  
16            payroll of the Company, or those on an authorized period of absence on  
17            or after January 1, 2012 (including those who retire from the employ of  
18            the Company on January 1, 2012).

19            Effective January 1, 2013, the Basic Benefit will be increased to \$85.00  
20            per month for all years of Credited Service for employees on the active  
21            payroll, or those on an authorized period of absence on or after January  
22            1, 2013 (including those who retire from the employ of the Company  
23            on January 1, 2013).

24            Effective January 1, 2014, the Basic Benefit will be increased to \$87.00  
25            per month for all years of Credited Service for employees on the active  
26            payroll, or those on an authorized period of absence on or after January  
27            1, 2014 (including those who retire from the employ of the Company  
28            on January 1, 2014).

29            Effective January 1, 2015, the Basic Benefit will be increased to \$89.00  
30            per month for all years of Credited Service for employees on the active  
31            payroll, or those on an authorized period of absence on or after January  
32            1, 2015 (including those who retire from the employ of the Company  
33            on January 1, 2015).

34            Effective January 1, 2016, the Basic Benefit will be increased to \$91.00  
35            per month for all years of Credited Service for employees on the active  
36            payroll, or those on an authorized period of absence on or after January  
37            1, 2016 (including those who retire from the employ of the Company  
38            on January 1, 2016).

1 Effective October 1, 2016, the Basic Benefit will be increased to \$95.00  
2 per month for all years of Credited Service for employees on the active  
3 payroll, or those on an authorized period of absence on or after October  
4 1, 2016 (including those who retire from the employ of the Company  
5 on October 1, 2016).

6 Effective January 1, 2025, the Basic Benefit will be increased to  
7 \$105.00 per month for all years of Credited Service for eligible  
8 employees on the active payroll, or those on an authorized period of  
9 absence on or after January 1, 2025 (including those who retire from the  
10 employ of the Company on January 1, 2025).

11 **10.6(b) Effective Date of Basic Benefit Amendments.** The  
12 amendments set forth in Section 10.6(a) took effect January 1, 2009, or  
13 on such later date as noted therein.

14 **10.6(c) Lump Sum Payment Option.** Effective January 1, 2025, or as  
15 soon as practicable thereafter, employees shall have the option to elect  
16 to receive their entire BCERP benefit in the form of a voluntary lump  
17 sum subject to the following:

18 **10.6(c)(1)** An employee who last accrued a benefit under the  
19 BCERP while represented by the Union may elect to receive their  
20 accrued benefit in the form of a voluntary lump sum, for benefit  
21 commencement dates occurring on or after the effective date set  
22 forth above.

23 **10.6(c)(2)** The voluntary lump sum option will be available to  
24 Surviving Spouses, Designated Domestic Partners, and Alternate  
25 Payees.

26 **10.6(c)(3)** The voluntary lump sum will be computed as the greater  
27 of (i) the present value of the employee's accrued benefit under the  
28 BCERP, or (ii), if applicable, the present value of the immediate  
29 annuity payable at an Early, Normal, or Late Retirement Date,  
30 whichever Retirement Date applies to the employee at the  
31 distribution date (i.e., early retirement subsidies will be included if  
32 the employee is eligible to commence early retirement benefits as of  
33 the distribution date), in each case as applicable to the benefit  
34 payable to a Surviving Spouse, Designated Domestic Partners or  
35 Alternate Payee when so payable.

36 **10.6(c)(4)** Interest and mortality shall be determined under Internal  
37 Revenue Code Section 417(e)(3) in accordance with Section 1.4(e)  
38 of the BCERP.

1           **10.6(c)(5)** Employees will be allowed to roll over their entire lump  
2 sum into their existing Boeing 401(k) account (formerly known as  
3 the VIP).

4           **10.6(c)(6)** If the employee receives a lump sum, no other BCERP  
5 benefit shall be due with respect to the related Years of Service and  
6 Credited Service, and such service shall thereafter be disregarded.  
7 Further, if the employee receives a voluntary lump sum during a  
8 layoff period and later returns to active status within six (6) years of  
9 the layoff date, the employee will be considered as hired after  
10 January 3, 2014 in accordance with Section 10.9 below.

11           **Section 10.7 Administration of the Retirement Plan.**

12           The Company shall have the right to unilaterally make any changes in  
13 actuarial assumptions and funding methods, provided such changes are  
14 determined by the Plan’s enrolled actuary to be reasonable in the aggregate.  
15           The Company shall be entitled to unilaterally adopt such amendments to the  
16 Plan as may be required in order to obtain any approval referred to in Section  
17 10.1 and described in Section 10.2 of the Agreement.

18           **Section 10.8 Retirement Benefits for Employees in the Portland Unit.**

19           The Company will cease all contributions to the Western Metal Industry  
20 Pension Fund pursuant to this Agreement and any Memorandum of  
21 Understanding on behalf of employees in the Portland Unit effective 11:59  
22 p.m. on October 31, 2016, or September 8, 2016, if the Fund shall have rules  
23 requiring that changes to contributions may become effective only at the  
24 expiration of the current Collective Bargaining Agreement. In addition,  
25 effective January 1, 1981, such employees will also become participants  
26 under The Boeing Company Employee Retirement Plan as follows:

27           **10.8(a) Employees to Whom the Boeing Plan Applies.** Each  
28 employee who was employed by the Company on June 29, 1974, and  
29 remains in the employ of the Company on and after January 1, 1981,  
30 shall become a Plan participant as of June 29, 1974. Each other  
31 employee who was employed by the Company after June 29, 1974, and  
32 remains in the employ of the Company on and after January 1, 1981,  
33 shall become a Plan participant upon completion of one (1) year of  
34 eligibility service following such date of employment with the  
35 Company. All other employees who are employed by the Company on  
36 or after January 1, 1981, shall become participants in the Plan upon  
37 completion of one (1) year of eligibility service, or upon becoming an  
38 eligible employee, if later.

1       **10.8(b) Credited Service.** Plan participants will accrue Credited  
2       Service commencing on the date they became Plan participants in  
3       accordance with Section 10.8(a).

4       **10.8(c) Eligibility for Retirement Income.** Eligibility for retirement  
5       income will be based on the provisions of the Plan.

6       **10.8(d) Amount of Retirement Income.** The retirement amount of a  
7       participant at any time shall be the benefit payable under the provisions  
8       of The Boeing Company Employee Retirement Plan reduced by any  
9       accrued benefit payable from the Western Metal Industry Pension Fund  
10      on account of service with The Boeing Company.

11      **10.8(e) Other Provisions of the Plan.** With the exception of the  
12      foregoing language of Section 10.8, all other provisions of The Boeing  
13      Company Employee Retirement Plan will apply.

14      **Section 10.9 Future Hires.** Employees hired or rehired on or after January  
15      3, 2014, will not be eligible for participation in the BCERP. For purposes  
16      of determining eligibility for the Plan, the employee will be considered hired  
17      before January 3, 2014, if:

- 18           1. On an authorized leave of absence on January 2, 2014, and returns  
19           to active employment directly from that authorized leave of  
20           absence.
- 21           2. An active employee on January 2, 2014, goes on an authorized  
22           leave of absence, and returns to active employment directly from  
23           that authorized leave of absence.
- 24           3. On layoff on January 2, 2014, and returns to active employment  
25           within 6 years of the layoff date.
- 26           4. An active employee on January 2, 2014, is laid off, and returns to  
27           active employment within 6 years of layoff date.

28      The employee is considered rehired if:

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



1     **Section 10.10 Pension Accruals to Cease**

2           **10.10(a)** Pension accruals under The Boeing Company Employee  
3     Retirement Plan (BCERP) will cease effective 11:59 p.m. on October  
4     31, 2016. After October 31, 2016, no further benefits will accrue under  
5     the BCERP. Benefits for current employees who are participants in the  
6     BCERP will be determined based on their pension accrual calculated as  
7     of October 31, 2016, and no new participants will be added to the  
8     BCERP after October 31, 2016. This cessation of pension accruals will  
9     not result in the loss of any pension benefits accrued through October  
10    31, 2016. To the extent not vested pursuant to paragraph 10.10(c)  
11    below, BCERP participants shall be fully vested in their accrued benefit  
12    effective October 31, 2016, to the extent required by law, and service  
13    performed after October 31, 2016 will not be counted for any purpose  
14    except for eligibility for disability retirement benefits and as otherwise  
15    required by law. The benefits accrued as of October 31, 2016 will  
16    remain obligations of the BCERP and its related trust on behalf of  
17    existing BCERP participants and will be paid in accordance with the  
18    terms of the BCERP.

19           **10.10(b)** Subject to paragraph (a), the Company will continue to  
20    maintain the BCERP and its related trust, provided that, the Company  
21    may amend the BCERP to merge it with any other pension plan  
22    maintained by the Company. Any such merger shall not adversely  
23    affect the benefits accrued by BCERP participants as of October 31,  
24    2016. The Company may amend the BCERP, from time to time, as it  
25    determines in its sole discretion to be necessary or appropriate to  
26    implement the cessation of pension accruals described in paragraph (a)  
27    or to maintain the BCERP's tax-qualified status or otherwise comply  
28    with applicable law.

29           **10.10(c)** All BCERP participants on the active payroll, or an authorized  
30    leave of absence on January 3, 2014, will become one hundred (100)  
31    percent immediately vested in his or her accrued benefit under the  
32    BCERP as of January 3, 2014.

33           **10.10(d)** Effective October 1, 2016, for employees on the active  
34    payroll, or an authorized leave of absence of ninety (90) days or less on  
35    or after October 1, 2016 (including those who retire from the employ of  
36    the Company on October 1, 2016), the monthly amount of Retirement  
37    Income payable under Section 5.3 of the BCERP to an employee  
38    retiring on an Early Retirement Date will be equal to one hundred (100)  
39    percent of the Accrued Benefit earned to his or her Early Retirement  
40    Date for employees age 58 or older at such Early Retirement Date. No

1 changes apply to the percentages payable at any earlier age or any other  
2 early retirement eligibility requirements.

3 **ARTICLE 11**  
4 **GROUP BENEFITS**

5 **Section 11.1 Type of Group Benefits Program for Employees on the**  
6 **Active Payroll.**

7 The Company will extend until December 31, 2028, the Group Benefits  
8 Program agreed to in the Collective Bargaining Agreement for eligible  
9 employees and medical benefits and dental benefits for covered dependents  
10 of eligible employees as summarized in the document entitled Attachment  
11 A effective January 1, 2026, or as specifically stated therein.

12 **Section 11.2 Cost of the Group Benefits Program for Employees on**  
13 **the Active Payroll.**

14 **11.2(a) Life Insurance and Disability Benefits; Other.** The  
15 Company will pay the full cost of the Life Insurance, Accidental Death  
16 and Dismemberment, Survivor Income, Short Term Disability, and  
17 Long-Term Disability Plans for eligible employees. The Company will  
18 provide access to an employee-paid Supplemental Life Plan and  
19 Supplemental Accidental Death and Dismemberment Plan, effective  
20 January 1, 2026. The Company also will provide eligibility under The  
21 Boeing Company Cafeteria Plan for employees to establish employee-  
22 funded health care and dependent care flexible spending accounts.

23 **11.2(b) Medical Benefits.** The Company and the Union are committed  
24 to controlling health care costs through joint efforts under the Joint  
25 Committee on Health Care Costs and Quality. In support of these  
26 efforts, the Company will continue to share the cost of medical coverage  
27 with employees. The current medical benefits (including the 2025  
28 medical contributions as calculated based on a 15% cost share cap) will  
29 continue through December 31, 2025. Effective January 1, 2026,  
30 Company and employee contributions will be as follows:

31 **11.2(b)(1)** Medical contributions will increase a maximum of 10%  
32 over the previous years' contributions, however, in the event the  
33 aggregate medical cost share for the active population is projected  
34 to be more than 15% for the following plan year, the active  
35 contributions will be prospectively adjusted for the following plan  
36 year evenly across all three plan and family tiers to keep the  
37 aggregate cost share at 15%.

1           **11.2(b)(2)** Effective January 1, 2013, there will be an additional  
2 contribution each calendar year as follows for employees and  
3 spouses or domestic partners who do not complete the online health  
4 assessment. The additional contributions will be as follows:

- 5           • For either employee-only coverage or employee plus  
6 child(ren) coverage, the additional contribution will be  
7 \$20 per month if the employee does not complete the  
8 online health assessment.
- 9           • For either employee plus spouse or domestic partner  
10 coverage or employee plus spouse or domestic partner  
11 plus child(ren) coverage, the additional contribution will  
12 be \$40 per month if both the employee and spouse or  
13 domestic partner do not complete the online assessment or  
14 \$20 per month if only the employee (but not the spouse or  
15 domestic partner), or spouse or domestic partner (but not  
16 the employee) completes the online health assessment.

17           **11.2(b)(3)** The employee is required to contribute an additional  
18 \$100 each month for medical coverage under the Group Benefits  
19 Program to enroll a spouse or domestic partner who is eligible for  
20 medical coverage under another employer-sponsored plan and  
21 waives such coverage. This \$100 contribution will not be required  
22 for a spouse or domestic partner who waived coverage under  
23 another employer-sponsored plan prior to eligibility for medical  
24 coverage under the Group Benefits Program, provided he or she  
25 enrolls at the other plan's next enrollment period or, if earlier, at an  
26 enrollment date allowed by the other plan.

27           **11.2(c) Dental Benefits.** The Company will pay the full cost of either  
28 the Network Dental Plan or Prepaid Dental Plan.

29           **11.2(d) Company Couples.** If both an employee and their spouse or  
30 domestic partner are employed by the Company, and both in the IAM  
31 751/W24 bargaining unit, one employee may elect to cover the other  
32 under their Company-sponsored medical and dental plans. An active  
33 employee may also cover a spouse or domestic partner who has retired  
34 from the Company and who waives retiree medical coverage.

35           **Section 11.3 Type of Retiree Medical Plan.**

36 For employees covered on or after July 1, 2003, the Company will provide  
37 for the duration of this Agreement for eligible retired employees and covered  
38 dependents of eligible retired employees the medical benefits summarized  
39 in the document entitled Attachment B, effective as specifically stated

1 therein and subject to all of the terms and conditions contained in or referred  
2 to in such Attachment B. The program summarized in Attachment B shall  
3 be referred to as the Retiree Medical Plan.

4 Effective January 1, 2026, the Company will provide employees retiring  
5 during the term of this Agreement access to a Medicare plan that is available  
6 to eligible retirees in the Puget Sound region. The current plan offered to this  
7 population is the Aetna Medicare Advantage ESA PPO.

8 **Section 11.4 Cost of the Retiree Medical Plan.**

9 Except as described in 11.4(b) and 11.4(c), the Company will share the cost  
10 of medical coverage for current eligible retired employees, employees on the  
11 active payroll, on layoff or on leave of absence on June 30, 2002 as follows:

12 **11.4(a)** Effective July 1, 2003, Company and retired employee  
13 contributions will be as follows:

14 For any Coordinated Care/Health Maintenance Organization plan  
15 coverage, retired employees will contribute \$10 for a retired  
16 employee only, \$20 for a retired employee and spouse, \$20 for a  
17 retired employee and child(ren), or \$30 for a retired employee and  
18 family. For Traditional Medical Plan coverage, retired employees  
19 will contribute \$20 for a retired employee only, \$40 for a retired  
20 employee and spouse, \$40 for a retired employee and child(ren), or  
21 \$60 for a retired employee and family. The Company will pay the  
22 cost of each plan in excess of the amount contributed by retired  
23 employees.

24 **11.4(b)** For employees who are hired on or after January 1, 1993, the  
25 Company contributions are limited to three and one third percent of the  
26 cost of the Coordinated Care/Health Maintenance Organization plan or  
27 Traditional Medical Plan the retired employee chooses per year of  
28 service for the duration of the Agreement. Retired employees pay the  
29 difference (the cost of the plan minus the Company contributions).  
30 However, all covered retirees must make contributions not less than the  
31 amount specified in Section 11.4(a).

32 **11.4(c)** The retired employee is required to contribute \$100 a month to  
33 enroll a spouse in the Retiree Medical Plan if the spouse or domestic  
34 partner is eligible for coverage under another employer-sponsored plan  
35 as an active employee and waives such coverage.

36 **11.4(d)** Company contributions will be made only for an eligible  
37 retired employee provided the employee meets the eligibility  
38 requirements of the Retiree Medical Plan and either authorizes  
39 deduction of the balance of plan rates, if any, from his or her retirement

1 check from The Boeing Company Employee Retirement Plan (the  
2 “Retirement Plan”) or makes arrangements with the Company to self-  
3 pay for coverage. In the case of an employee hired or rehired on or after  
4 January 3, 2014, who is not a participant in the Retirement Plan,  
5 Company contributions will be made provided the employee meets the  
6 eligibility requirements of the Retiree Medical Plan and makes  
7 arrangements with the Company to self-pay for coverage. Such  
8 Company contribution will continue for an eligible retired employee or  
9 eligible spouse or domestic partner reduced by retired employee  
10 contributions required under Sections 11.4(a) and 11.4(b) and the  
11 spouse contribution in Section 11.4(c), if any, until such eligible person  
12 attains 65 years of age or is earlier eligible for Medicare, and for a  
13 dependent child, until such dependent is no longer an eligible dependent  
14 or earlier qualifies for Medicare.

15 **11.4(e) Company Couples.** If a retiree and their spouse or domestic  
16 partner are both retired from the Company, one retiree may elect to  
17 cover the other (who waives retiree medical coverage) under their  
18 Company-sponsored retiree medical plan.

### 19 **Section 11.5 Details and Method of Coverage.**

20 The benefits summarized in the Group Benefits Program and the Retiree  
21 Medical Plan shall be procured by the Company under contracts and/or  
22 administrative agreements with insurance companies, health care  
23 contractors or administrative agents which will be in the form customarily  
24 written by such carriers and administrative agents, and the Group Benefits  
25 Program and Retiree Medical Plan shall be subject to the terms and  
26 conditions of such contracts and/or administrative agreements, consistent  
27 with the summary in the Group Benefits Program or Retiree Medical Plan.

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

1 Except as otherwise provided in this Article 11, during the term of this  
2 Agreement, the Company shall not change the benefits or increase the  
3 deductibles, coinsurance, out of pocket maximums or copayments shown in  
4 Attachment A and Attachment B, except as required by law, without  
5 approval of the Union, and in the event the Company makes such change  
6 without the Union's approval, such action shall be subject to the provisions  
7 of Article 19 of this Agreement. The failure of an insurance company, health  
8 care contractor or administrative agent to provide for any of the benefits for  
9 which it has contracted shall result in no liability to the Company, nor shall  
10 such failure be considered a breach by the Company of the obligations which  
11 it has undertaken by this Agreement. However, in the event of any such  
12 failure, the Company shall immediately evaluate the need to replace the  
13 services of such insurance company, health care contractor, or  
14 administrative agent.

15 **Section 11.6 Administration.**

16 The Group Benefits Program and the Retiree Medical Plan shall be  
17 administered by the insurance companies, health care contractors or  
18 administrative agents with whom the Company enters into contractual  
19 relationships for the purpose of providing and/or administering the coverage  
20 contemplated by the Group Benefits Program or the Retiree Medical Plan  
21 and the Employee Benefit Plans Committee of The Boeing Company, and,  
22 except as provided in Section 11.5 above, no question or issue arising under  
23 the administration of such Group Benefits Program or the Retiree Medical  
24 Plan or the contracts and/or administrative agreements identified therewith  
25 shall be subject to the grievance procedure or arbitration provisions of  
26 Article 19 of this Agreement. No new medical, vision, prescription drug or  
27 dental plans or administrators will be added or deleted without prior  
28 consultation and notification of the Union.

29 **Section 11.7 Copies of Policies to be Furnished to Union.**

30 Copies of the policies, contracts, and administrative agreements executed  
31 pursuant to this Article 11 shall be furnished to the Union and the coverages  
32 and benefits indicated in the Group Benefits Program or the Retiree Medical  
33 Plan, the rights of eligible employees in respect of such coverages, and the  
34 settlement of all claims arising out of such coverages, shall be in accordance  
35 with the provisions, terms and rules set forth in such contracts.

36 **Section 11.8 Federal or State Programs.**

37 If during the term of this Agreement there is mandated by federal or state  
38 government a program that affords to employees and/or retirees covered by  
39 this Agreement benefits (such as but not limited to medical benefits and  
40 dental benefits) that are equal to or greater than those that are afforded by  
41 this Agreement, benefits afforded by this Agreement will be replaced or

1 updated to meet such federal or state program requirements. The Company  
2 will comply with the provisions for the furnishing of such program to the  
3 extent required by law. No question or issue regarding the level of benefits  
4 under the state or federal program shall be subject to the grievance procedure  
5 or arbitration provisions of Article 19 of this Agreement.

6 **Section 11.9 Boeing Global Health Plan.**

7 Employees on foreign assignment of 180 days or longer will have access to  
8 the Boeing sponsored Global Health Plan, subject to the terms of the Global  
9 Health Plan. The design of this plan will match the plan applicable to Boeing  
10 non-bargaining-unit employees on foreign assignment. The Company  
11 reserves the right to unilaterally alter, amend, and/or modify any or all terms  
12 of the Global Health Plan at its sole discretion on an enterprise wide or  
13 regional basis without further bargaining.

14 **ARTICLE 12**  
15 **TRAVEL AND RELOCATION REIMBURSEMENT**

16 **Section 12.1 Recognition of Varied Type of Operations.**

17 It is recognized that Company operations throughout the country are varied  
18 as to type and location and that this has required and will continue to require  
19 the use and application of different policies, regarding reimbursement for  
20 travel and relocation expenses, depending on the particular circumstances  
21 involved, such as: housing, transportation and other personnel requirements;  
22 policies and requirements of the cognizant military and other governmental  
23 agencies; duration and nature of assignment; considerations as to any  
24 urgency identified with the assignment or operation involved; and other  
25 related factors.

26 **Section 12.2 Copies of Policies to Be Furnished to the Union.**

27 The Company will furnish to the Union copies of the present published  
28 Company policies relating to reimbursement of travel and relocation  
29 expenses.

30 **Section 12.3 Advance Notice to Employee of Applicable Policy.**

31 Each employee who is requested to relocate or who is afforded an  
32 opportunity to relocate, shall be advised by the Company in writing, prior to  
33 any commitment on his/her part to undertake the assignment, as to the  
34 published policy or policies and the particular provisions thereof that are to  
35 be applied to him/her in connection with the assignment if he/she takes it;  
36 and if he/she takes the assignment, later revisions of published policies or  
37 parts thereof will not cause any change in the reimbursement policy or  
38 policies specified in the advice.

1     **Section 12.4 Changes in Policies.**

2     The Company may make further revisions of such published policies or  
3     establish additional published policies and in each such instance will furnish  
4     copies to the Union. Reimbursement provisions of such published policies,  
5     which are applicable to employees covered by this Agreement, will not be  
6     revised to provide less favorable reimbursement for such employees, except  
7     by mutual agreement between the Company and the Union.

8     **Section 12.5 Determination of Applicable Policies.**

9     The policy or policies and the part or parts thereof to be applied to the  
10    individual in each instance in accordance with Section 12.3 shall be  
11    determined by the Company.

12    **Section 12.6 Scope of Grievance and Arbitration Proceedings as**  
13    **Applied to Travel and Relocation Reimbursement.**

14    The form and content of the various published Company policies regarding  
15    reimbursement for travel and relocation expenses, the revisions thereof or  
16    additions thereto that may be made by the Company from time to time, and  
17    the determination of the policy or policies and the part or parts thereof to be  
18    applied to the individual in each instance in accordance with this Article 12  
19    shall not be subject to the grievance procedure or arbitration provisions of  
20    this Agreement; however, claims that the policy or policies specified in the  
21    written advice given to the employee under Section 12.3 have not been  
22    applied to the employee shall be subject to the grievance and arbitration  
23    procedures.

24    **Section 12.7 Travel Assignment Pay.**

25    All members of the bargaining unit will be compensated for travel  
26    assignments pursuant to the requirements of Washington State law, unless  
27    their home state of work provides a greater benefit. Therefore, employees  
28    will receive pay for all hours spent traveling from their permanent place of  
29    residence until arrival at the assigned destination. If employees are required  
30    to depart for a travel assignment after reporting to work, the time spent  
31    traveling shall include the retroactive travel time from their permanent place  
32    of residence, until arrival at the assigned destination.

33    While on travel assignment, employees will receive pay beginning at the  
34    time that the employee is assigned to report for transportation to the assigned  
35    work location until the arrival time back at the lodging location.

36    Employees will receive pay for all hours spent on return travel from their  
37    temporary lodging location (or assigned work location) until their arrival at  
38    their permanent place of residence.



1 When employees are quarantined during any travel assignment they shall  
2 receive twelve (12) hours of pay per day for each day of quarantine.

3 **Section 12.8 Reimbursement for Professional Tax Preparation Services.**  
4 If the Company requires an employee to travel internationally and they are  
5 subject to foreign taxation, the Company will pay to provide tax preparation  
6 services for the employee to file, amend, or refile personal tax returns.

7 **ARTICLE 13**  
8 **LABOR GRADES - IDENTIFICATION**  
9 **AND APPLICATION OF**

10 **Section 13.1 Labor Grades.**

11 The various labor grades are those identified in Article 6.

12 **Section 13.2 Corporate Job – Definition of.**

13 "Job" as used in this Article 13 shall in each instance refer to, as a composite  
14 unit, The Boeing Company title, number, and description of the job.

15 **Section 13.3 Identification of Existing Jobs–Placement in Labor Grade.**

16 The "Corporate Job List - Existing Jobs as of September 13, 2024" contains  
17 all the jobs existing as of that date. For the period of this Agreement,  
18 thereafter each job in that list respectively shall continue within the same  
19 labor grade as the one with which it is identified in such list.

20 **Section 13.4 Procedure for Placement, Within Labor Grades, of New**  
21 **or Changed Jobs.**

22 In the following sections of this Article 13, a procedure is established for the  
23 placement, within labor grades, of new jobs or jobs in regard to which, after  
24 the date of this Agreement, there has been a substantial change in job  
25 function or job description. Such procedure provides agreed upon  
26 measurements, standards and considerations to be applied in the placement  
27 of any such job within a particular labor grade.

28 **Section 13.5 Establishment of New Jobs.**

29 When work operations involving new or substantially changed requirements  
30 are established after the effective date of this Agreement and such  
31 requirements are not adequately or specifically described in an existing job,  
32 the Company will describe and establish a new job in a labor grade based  
33 upon its use of the Classification Guides and Representative Jobs referred to  
34 in Section 13.10 by notifying the IAM Overall Coordinator and the Directing  
35 Business Representative at each major location of its action. If, forty-five  
36 (45) days after receipt of such notification of the establishment of the new  
37 job, the Union has not requested negotiation of the labor grade on the ground  
38 that pursuant to Section 13.10 the job should be in a different labor grade,

1 the job will become permanent. The parties shall discuss the job description  
2 and changes shall be made by the Company in response to negotiation with  
3 the Union in the interest of clarity, better understanding or to more properly  
4 describe the way the work is organized; however, the organization of the  
5 work shall not be affected. If the labor grade is changed, such change will  
6 be retroactive to the date of installation by the Company. In the event that  
7 the parties are unable to reach agreement on the labor grade such dispute  
8 may be submitted to arbitration under Section 13.9. However, neither the  
9 organization of work nor the determination of the job duties shall be subject  
10 to arbitration and the arbiter shall not have authority to alter a job  
11 description.

### 12 **Section 13.6 Temporary Classifications.**

13 Temporary classifications and code numbers identified with the prefix "T"  
14 may be established by the Company for new work functions for which no  
15 current job description is applicable and which require a period of time to  
16 stabilize job duties. This period shall not exceed ninety (90) days unless  
17 extended by mutual agreement. Extensions will be limited to two (2) and be  
18 granted in ninety (90) day increments. Employees will be assigned to such  
19 new work at their current labor grades. The Union will be notified of the  
20 effective date and approximate duration of the temporary classification and  
21 code number. If the permanent job title, job description and code numbers  
22 are installed at a higher labor grade than the labor grades of the assigned  
23 employees, these employees will be paid at the higher labor grade for the  
24 time assigned to the job duties of the applicable job title.

### 25 **Section 13.7 Initial Staffing of New or Temporary Classifications.**

26 When establishing a new or temporary classification (not job combinations)  
27 and where such new or temporary classification is comprised of portions of  
28 existing jobs in programs currently in production, the Company will identify  
29 the job classifications whose current work assignments will form the basis  
30 for the Determining Duties of the new or temporary job description. The  
31 Company will then initially staff these positions with senior volunteers from  
32 the employees currently assigned to those existing job classifications within  
33 the organization from the site where the new or temporary job is being  
34 installed. When a new job is installed in an existing job family, and is of a  
35 higher labor grade, all employees currently populating the lower labor grade  
36 in the normal line of promotion in the new job family shall be notified of the  
37 opportunity to file a Category B Effective Application in accordance with  
38 Section 22.1(b). If the temporary job results in the installation of a new job,  
39 the employees assigned to the temporary job will have established rights to  
40 the new job. All further openings will be staffed in accordance with Article  
41 22.

1 **Section 13.8 Opportunity for Union to Challenge Placement in Labor**  
2 **Grade.**

3 In the event the Union disagrees with the labor grade in which the new or  
4 changed job has been placed, it must, within forty-five (45) calendar days  
5 from the date the new or changed job description is forwarded by the  
6 Company, challenge the labor grade, detailing in writing the reasons why  
7 the Union disagrees and why another Classification Guide (considered with  
8 its Representative Jobs) is more appropriate to establish the labor grade;  
9 otherwise, the job title, description, and labor grade, as determined by the  
10 Company, will continue for the life of this Agreement.

11 **Section 13.9 Procedure in Event of Disagreement.**

12 If the Union challenges the labor grade in regard to a new or changed job,  
13 Company and Union representatives shall meet promptly, at a mutually  
14 agreed time, for the purpose of attempting to reach agreement as to the  
15 appropriate labor grade. If no agreement is reached within thirty (30)  
16 calendar days of the Union's challenge as described in Section 13.8, the  
17 Union may, within the next ten (10) calendar days, request that the  
18 controversy be submitted to arbitration in accordance with Sections 19.6 to  
19 19.10, inclusive, of Article 19.

20 **Section 13.10 Classification Guides and Representative Jobs.**

21 Each labor grade shall be identified with a "Classification Guide" and certain  
22 "Representative Jobs." Any disagreements between the Union and the  
23 Company shall be resolved (whether by agreement or arbitration)  
24 exclusively on the basis of applying the overall composite guideline afforded  
25 by each Classification Guide and the Representative Jobs identified with it.  
26 The Classification Guide and its Representative Jobs are to be considered  
27 together as presenting a composite picture of a particular grade level of  
28 work. No Classification Guide is intended to cover any of the specifics of a  
29 particular package of work but is intended instead to provide (together with  
30 its Representative Jobs) measurements and standards that identify a  
31 particular grade level of work. In each instance, the designated  
32 Representative Jobs are intended to provide a grade level picture only and  
33 will not always relate directly and specifically to each of the new or changed  
34 jobs that may be developed in the future. Further guidelines to be followed  
35 by the parties and (in the event of arbitration) by the arbiter are as follows:

36 **13.10(a)** The Determining Duties and Responsibilities (see the Rules  
37 referred to in Section 13.10(e)) in the job description describing the new  
38 or revised work shall be the basis for determining the appropriate labor  
39 grade.

1 **13.10(b)** The requirements to satisfactorily perform the work shall be  
2 considered. For example, typical requirements to be considered would  
3 be job knowledge, skill, responsibility, working conditions, and  
4 problem solving. The abilities and personal qualities of individuals who  
5 may already have been assigned to do the work shall not be evaluated.

6 **13.10(c)** The Classification Guides and Representative Jobs  
7 established for each labor grade shall be carefully studied and the sum  
8 of the requirements so represented shall be compared with those of the  
9 work to be graded.

10 **13.10(d)** The new or changed job shall be placed in the labor grade that  
11 is identified with the Classification Guide and Representative Jobs most  
12 comparable, in terms of work grade level, to the job to be graded.

13 **13.10(e)** The attached "Rules Governing the Application of Job  
14 Descriptions" and the glossary entitled "A Glossary of Terms and  
15 Phrases" shall remain in effect for the life of this Agreement.

16 **Section 13.11 Retroactive Payment Where Labor Grade Changed.**

17 If the Union challenges the labor grade of any new or changed job  
18 classification as to which the Company has submitted a revised job  
19 description to the Union, and it is determined that the job is not in the correct  
20 labor grade, the Company shall pay each employee involved at the corrected  
21 rate for time in which the employee has performed the determining duties  
22 specified in the job description subsequent to the date on which the Union  
23 notifies the Company in writing of its challenge of the labor grade placement  
24 and within forty-five (45) calendar days prior to that date. Section 19.5 of  
25 Article 19 shall not apply.

26 **Section 13.12 Existing "Nonrepresentative" Jobs.**

27 The parties recognize that, as of the date of execution of this Agreement,  
28 certain jobs now are in labor grades which, measured against the applicable  
29 guidelines, do not meet the standards and work level appropriate to the labor  
30 grade. Job references and comparisons in connection with placement of new  
31 or changed jobs within a labor grade are therefore limited to the  
32 Representative Jobs designated for the particular labor grade.

33 **Section 13.13 Applicable Classification Guides and Representative**  
34 **Jobs.**

35 During the life of this Agreement, unless changed by mutual agreement of  
36 the parties, the Classification Guides and Representative Jobs identified  
37 respectively with each labor grade shall be those to which the parties have  
38 mutually agreed bearing date of September 13, 2024, and entitled

1 "Classification Guides and Representative Jobs for Use in Placing New or  
2 Changed Jobs Within the Appropriate Labor Grade."

3 **Section 13.14 Misassignment Grievances.**

4 During the life of this Agreement, the Company shall have sole  
5 responsibility for making work assignments. The Union, however, may  
6 challenge the labor grade of any employee covered by this Agreement based  
7 on the contention that the work assigned by the Company differs from the  
8 job description to the extent and in such a manner so as to require assigning  
9 the employee to an existing or new job that would be in a higher labor grade  
10 after applying the guidelines of Section 13.10. Disputes based on such  
11 contention may be settled in accordance with Article 19.

12 **ARTICLE 14**  
13 **SENIORITY**

14 **Section 14.1 Accumulation of Seniority.**

15 The seniority of an individual at any time (subject to the other Sections of  
16 this Article 14) shall be:

17 **14.1(a)** The amount of seniority he/she had immediately prior to the  
18 effective date of this Agreement, calculated in accordance with the  
19 Collective Bargaining Agreement between the parties dated January 3,  
20 2014; plus

21 **14.1(b)** The time after such effective date that he/she is on the active  
22 payroll of the Company within any bargaining unit to which this  
23 Agreement relates; plus

24 **14.1(b)(1)** for employees on the active management (supervisory)  
25 payroll of the Company on September 1, 1999, the time before or  
26 after the effective date of entry onto such payroll, provided he/she  
27 has at some previous time worked within any such unit (including  
28 any preceding variation of any such unit) and provided further that  
29 this Subparagraph will not affect the seniority of those in any such  
30 unit (including those on layoff or leave of absence from any such  
31 unit) on such effective date; plus

32 **14.1(b)(2)** for employees promoted to the active management  
33 (supervisory) payroll of the Company on or before September 12,  
34 2024, a cumulative total of five (5) years spent on such payroll  
35 following such effective date, provided he/she has at some previous  
36 time worked within any such unit (including any preceding  
37 variation of any such unit); on or after September 13, 2024, a  
38 cumulative total of three (3) years spent on such payroll following

1 such effective date, provided he/she has some previous time  
2 worked within any such unit (including any preceding variation of  
3 any such unit); provided further that this Subparagraph will not  
4 affect the seniority of those in any such unit (including those on  
5 layoff or leave of absence from any such unit) on such effective  
6 date; and provided further that this Subparagraph shall not apply to  
7 employees temporarily promoted to such payroll or promoted to  
8 such payroll for purposes of staffing a joint program (such  
9 employees to continue to accrue seniority in accordance with  
10 Section 14.1(b) above); plus

11 **14.1(b)(3)** time lost by reason of industrial injury, industrial  
12 illness, or jury duty; plus

13 **14.1(b)(4)** time on leave of absence granted for the purpose of  
14 serving in the Armed Forces of the United States; plus

15 **14.1(b)(5)** time spent on authorized leave of absence for Union  
16 business; plus

17 **14.1(b)(6)** time spent on leave of absence granted by the Company  
18 for the purpose of permitting an employee to engage in activities  
19 requested by the Company; plus

20 **14.1(b)(7)** time spent on authorized leave of absence granted  
21 because of pregnancy or to cover periods of nonindustrial injury or  
22 illness, not to exceed one (1) year during any such period; plus

23 **14.1(b)(8)** the first ninety (90) days of any other authorized leave  
24 of absence; plus

25 **14.1(b)(9)** time on disability retirement from any such unit  
26 provided the employee qualifies to return to the active payroll  
27 under the provisions of Section 22.18(e); plus

28 **14.1(b)(10)** time on layoff from any such unit not to exceed, in  
29 each instance:

- 30 (a) A period of eight (8) years for employees with five (5) or  
31 more years of seniority at time of layoff (less time on  
32 leave under Subparagraphs 14.1(b)(7) and 14.1(b)(8)  
33 where such leave immediately precedes such layoff);
- 34 (b) A period of five (5) years for employees with three (3) or  
35 more but less than five (5) years seniority at time of  
36 layoff (less time on leave under Subparagraphs

1 14.1(b)(7) and 14.1(b)(8) where such leave immediately  
2 precedes such layoff);

- 3 (c) A period of three (3) years for employees with less than  
4 three (3) years seniority at time of layoff (less time on  
5 leave under Subparagraphs 14.1(b)(7) and 14.1(b)(8)  
6 where such leave immediately precedes such layoff).

7 **Section 14.1(c) Probationary Employees.**

8 Employees newly hired on or after September 13, 2024 shall be on  
9 probation for a period of sixty (60) calendar days. An employee's  
10 probationary period may be extended up to thirty (30) calendar days  
11 with written notification to the employee and Union concurrence.  
12 Probationary employees may be transferred or discharged during their  
13 probationary period without recourse to the grievance procedure  
14 outlined in Article 19. Upon successful completion of said probationary  
15 period, employees will be considered on full time assignment.

16 **Section 14.2 Transfer From One Location to Another.**

17 An individual who has accumulated seniority under the provisions of this  
18 Article 14 when transferred from one Primary Location (or Remote Location  
19 thereof) to another Primary Location (or Remote Location thereof) shall  
20 retain such seniority.

21 **Section 14.3 Loss of Seniority.**

22 **14.3(a)** An individual shall lose seniority rights for the following  
23 reasons:

24 **14.3(a)(1)** Resignation.

25 **14.3(a)(2)** Discharge for cause.

26 **14.3(a)(3)** Failure to respond with his/her acceptance within seven  
27 (7) regular workdays after dispatch by courier or certified mail,  
28 return receipt requested, to the address provided to the Company,  
29 of a recall from layoff unless such period is extended by the  
30 Company if such recall is to a job that he/she must accept under the  
31 applicable provisions of Article 22 or lose seniority. However, if  
32 such an employee, who otherwise would retain his/her seniority  
33 except for the provisions of this Section 14.3(a)(3), contacts the  
34 Company in writing within thirty (30) calendar days of his/her  
35 seniority loss, his/her seniority will be reinstated and he/she will be  
36 placed on the Category A roster in seniority order for prospective  
37 purposes.

1           **14.3(a)(4)** Failure to report for work within five (5) workdays after  
2 acceptance or on such later date as may be designated by the  
3 Company.

4           **14.3(a)(5)** Layoff for a period in excess of eight (8) years for  
5 employees with five (5) or more years of seniority at time of layoff;  
6 layoff for a period in excess of five (5) years for employees with  
7 three (3) years or more but less than five (5) years seniority at time  
8 of layoff; layoff for a period in excess of three (3) years for  
9 employees with less than three (3) years seniority at time of layoff.

10           **14.3(a)(6)** Retirement from the active payroll, leave or layoff  
11 status (excludes those employees on disability retirement who  
12 qualify to return to the active payroll under the provisions of  
13 Section 22.18(e)).

14           **14.3(b)** Any employee of the Company outside of a collective  
15 bargaining unit covered by this Agreement who is discharged or quits  
16 shall be considered a new hire without seniority if subsequently  
17 employed within the bargaining unit.

18           **Section 14.4 Reinstatement of Seniority Lost by Reason of Duration of**  
19           **Layoff.**

20 An employee laid off on or after October 4, 1990, who has lost his/her  
21 seniority solely because of the application of Subparagraph 14.3(a)(5) shall,  
22 upon re-employment by the Company, have that seniority reinstated if the  
23 employee returns to the active payroll and his/her period of separation from  
24 the active payroll does not exceed the amount of seniority he/she had at the  
25 date of his/her layoff, plus the amount of seniority he/she accumulated under  
26 the applicable provisions of all Collective Bargaining Agreements between  
27 the parties beginning October 4, 1980 and thereafter. For purposes of  
28 seniority only, on or after September 13, 2024, employees laid off include  
29 those employees impacted by a sale or divestiture of a Company location  
30 within the jurisdiction of this Agreement.

31           **Section 14.5 Nature of Seniority Rights.**

32 Seniority rights are those specified by effective written agreement and shall  
33 not be deemed to exist independently of such agreement.

34   **ARTICLE 15**  
35   **LEAVE OF ABSENCE**

36           **Section 15.1 Authorized Leaves of Absence.**

37           **15.1(a)** For the period indicated in each instance, leaves of absence  
38 (without pay except to the extent sick leave credit or vacation credit can



1 be used and is used under and in accordance with Article 8) shall be  
2 granted to an employee on the active payroll:

3 **15.1(a)(1)** In case of accident or illness, for the period of time  
4 his/her injury or illness requires that he/she be absent from work.  
5 The Company may require satisfactory proof of such illness.  
6 Alcoholism or drug dependency may be the basis for granting  
7 medical leave as to individuals while under treatment at a generally  
8 recognized and accepted treatment center or hospital if such  
9 treatment is requested prior to the employee's having been  
10 terminated for unsatisfactory attendance or violation of other  
11 Company rules.

12 **15.1(a)(2)** In pregnancy cases, for the period of the employee's  
13 temporary physical incapacity caused by the pregnancy as verified  
14 by the employee's physician with concurrence of the Company  
15 medical staff. If there is a difference of medical opinion as to the  
16 employee's physical incapacity, the Company will solicit the  
17 opinion of a third physician. The Company shall be notified  
18 immediately upon medical confirmation that a pregnancy exists.

19 **15.1(a)(3)** For the period of time necessary to serve in the Armed  
20 Forces of the United States.

21 **15.1(a)(4)** In case he/she is appointed by the President or Directing  
22 Business Representative of the Union representing the particular  
23 unit, or elected, to a full-time Union position, for the period of time  
24 necessary to fill such position.

25 **15.1(b)** The Company may grant leaves of absence without pay for  
26 other reasons that the Company considers valid.

27 **Section 15.2 Return from Leave of Absence.**

28 An employee who applies for return from leave of absence on or before the  
29 expiration date of his/her leave will be returned in accordance with the  
30 following:

31 **15.2(a)** Where an employee returns from a leave of absence that was  
32 granted due to industrial injury or industrial illness and he/she is  
33 medically able to perform the job which he/she last held:

34 **15.2(a)(1)** he/she will be returned to it if this does not conflict with  
35 Article 22.

36 **15.2(a)(2)** if this does conflict with Article 22, he/she will be  
37 considered for any job that he/she is qualified and able to perform,  
38 or (if a surplus occurred that would have affected him/her during

1 such leave) be subjected to surplusings procedures all in accordance  
2 with Article 22.

3 **15.2(b)** Where an employee returns from a leave of absence of the type  
4 described in Section 15.2(a) and he/she is medically not able to perform  
5 the job which he/she last held, he/she will be considered for any job that  
6 he/she is qualified and able to perform (or for any temporary light duty  
7 assignment that may be available at the Company's discretion), or (if a  
8 surplus occurred that would have affected him/her during such leave)  
9 be subjected to surplusings procedures, all in accordance with Article 22.

10 **15.2(c)** Where an employee returns from a leave of absence that was  
11 granted due to nonindustrial injury or illness or because of pregnancy,  
12 and the period of the leave has not exceeded one (1) year, and he/she is  
13 medically able to perform the job which he/she last held, the steps and  
14 procedures of Subparagraphs 15.2(a)(1) and 15.2(a)(2) will apply.

15 **15.2(d)** Where an employee returns from a leave of absence of the type  
16 described in Section 15.2(c) and he/she is medically not able to perform  
17 the job which he/she last held, he/she will be considered for any job  
18 which he/she is qualified and able to perform, subject to Article 22. If  
19 placement is not effected, the employee may be placed on layoff.

20 **15.2(e)** If leave was granted due to nonindustrial injury or illness and  
21 the period of leave is in excess of one (1) year, the employee may be  
22 returned to the job title which he/she last held providing there is an  
23 opening in such job title and his/her placement in such opening is not  
24 inconsistent with Article 22; otherwise, he/she may be placed on layoff.

25 **15.2(f)** If leave was granted for military service or other requirements  
26 of law, the provisions of applicable laws shall apply.

27 **15.2(g)** If leave, irrespective of length, was granted for any reason other  
28 than those stated in Sections 15.2(a) to 15.2(f), inclusive, and in Section  
29 15.2(h), the employee will be returned to the job title which he/she last  
30 held providing there is an opening in such job title and his/her placement  
31 in such opening is not inconsistent with Article 22; otherwise, he/she  
32 may be placed on layoff.

33 **15.2(h)** If leave was granted to accept a full-time position with the  
34 Union, the employee will be returned to the job which he/she last held  
35 if such job is then populated; if such job is not then populated he/she  
36 will be returned to one of equal grade.

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**ARTICLE 16**  
**HEALTH AND SAFETY**

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**Section 16.1 Mutual Objective.**

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The Union and Company recognize the value of working together to maintain high standards of occupational health, safety and environmental care throughout the plants of the Company. Both parties commit to work together to create an environment which promotes a positive approach to processes, attitudes and activities that bring about the changes necessary to achieve a workplace free of incidents, accidents and injuries, and that protects the environment. It is our intent that no employee shall be required to perform work that involves an imminent danger to health or physical safety. Both parties will continue to establish proactive, customer-driven programs and systems to support this mutual objective.

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**16.1(a) Health and Safety in the Workplace.** The Union and the Company are committed to working together to maintain a healthy, safe and environmentally responsible workplace. Both parties agree that all employees should be actively involved in creating a safe workplace and complying with all applicable safety, health and environmental policies and procedures. Both parties recognize that good physical health and being prepared to do physical work may reduce injuries. Together, the parties will explore methods to promote health programs.

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**16.1(b)** The Union and the Company agree that it is in their best interest to provide for and maintain a healthy, safe and environmentally responsible workplace for all employees; therefore, no employee shall be required to perform work that involves imminent danger to their health or physical safety. Imminent danger is defined as loss of life or limb.

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**16.1(c)** Should the employee believe that there is imminent danger due to work required to be performed, the employee should inform the immediate supervisor and/or the responsible site safety manager or a designee. In addition, the employee may contact the Union Steward or a Health and Safety Institute (HSI) Site Safety Committee member who will assist in contacting the Site Safety Manager.

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**16.1(d)** Work will not continue until the responsible Site Safety Manager or designee makes the final determination concerning the safety of the individual and the work to be performed.

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**16.1(e)** Further, the parties agree that a contact listing of the responsible EHS Site Safety Managers or designees and the HSI Site Safety Committee members will be posted on IAM/Boeing Joint Programs

1 Boards at locations conveniently accessible to IAM bargaining unit  
2 employees. EHS Site Safety Managers are responsible for notifying the  
3 HSI Site Administrators of the list of designees.

#### 4 **Section 16.2 IAM/Boeing Health and Safety Institute.**

5 **16.2(a) Purpose.** The parties recognize that efforts directed to achieve  
6 a safe and healthy workplace must represent shared responsibility and  
7 encourage the involvement of all employees. Therefore, the  
8 IAM/Boeing Health and Safety Institute exists to address occupational  
9 health and safety issues which impact employees within the bargaining  
10 units and support the parties' mutual objectives.

11 **16.2(b) IAM/Boeing Joint Programs National Governing Board  
12 and Executive Directors.** General direction and guidance of the  
13 IAM/Boeing Health & Safety Institute (HSI) shall be the responsibility  
14 of the IAM/Boeing Joint Programs National Governing Board  
15 (Governing Board) as described in the parties' Letter of Understanding  
16 No. 26, entitled Administration of Joint Programs, and the parties'  
17 Letter of Understanding No. 18, entitled Expenditure of Funds under  
18 Article 16 and Article 20. Oversight of day-to-day operations of HSI  
19 and coordination of HSI administrative staff activities, as directed by  
20 the Governing Board, shall be the responsibility of the IAM/Boeing  
21 Joint Programs Executive Directors as described in the parties' Letter  
22 of Understanding No. 26.

23 **16.2(c) Administrative Staff.** In support of the HSI Mutual Objective  
24 as outlined in Section 16.1, staff responsibilities include being involved  
25 in developing, recommending, and implementing health and safety  
26 programs. The IAM/Boeing Health & Safety Institute's Administrative  
27 Staff is described in the parties' Letter of Understanding No. 26,  
28 Sections C and D.

29 **16.2(d) Joint Health and Safety Communication Committee.** The  
30 Joint Health and Safety Communication Committee shall be comprised  
31 of one (1) representative of each party from each of the Site Committees  
32 and one (1) administrative staff from each party. The Site Committee  
33 representatives to the Joint Health and Safety Communication  
34 Committee shall be comprised of the Site Committee Chairperson and  
35 the Site Committee Secretary. The Committee shall work to ensure a  
36 consistent approach to communication and application of the Health and  
37 Safety Institute's programs and services, to benchmark and share best  
38 practices, to make recommendations back to the respective sites, and to  
39 review any matters referred to it by a Site Committee, the Governing  
40 Board, or the administrative staff. The Committee shall meet at least

1 monthly and shall select from among its members a chairperson and  
2 secretary, from the opposite party, who shall serve a half-year term. The  
3 chair and secretary of the Committee shall rotate between the parties.  
4 No Committee member shall suffer any loss of employee rights or  
5 benefits, including opportunities for promotion, as a result of serving on  
6 the Committee.

7 **16.2(e) Site Committees.**

8 **16.2(e)(1) Structure.** The Governing Board shall be responsible  
9 for the establishment of Site Committees and may add, delete or  
10 modify existing or future Site Committees as it deems necessary.  
11 Site Committees are currently established at: Auburn Site,  
12 Developmental Center/Kent Site, Everett Site, Frederickson Site,  
13 Plant II Site, Portland Site, Renton Site, and Wichita Site. Remote  
14 Locations will be eligible to participate in existing Site  
15 Committees. Site Committees shall be comprised of a minimum of  
16 four (4) representatives from each of the parties, one of whom shall  
17 be the Union's health and safety focal point for that site, one of  
18 whom shall be the EHS safety manager for that site and one of  
19 whom shall be an HSI Administrator from each of the parties. The  
20 appropriate Directing Business Representative will appoint Union  
21 representatives to the Site Committees as authorized by the  
22 Governing Board. No Committee member shall suffer any loss of  
23 employee rights or benefits, including opportunities for promotion,  
24 as a result of serving on the Committee. Every effort will be made  
25 to fill Site Committee openings from both parties within thirty (30)  
26 days of the opening. Any opening that goes beyond thirty (30) days  
27 shall be elevated to the IAM/Boeing Joint Programs Co-Directors  
28 for assistance.

29 **16.2(e)(2) Responsibilities.** Each Site Committee shall meet at  
30 least monthly and shall select from among its members a  
31 chairperson and secretary, from each party, who shall serve a half-  
32 year term. The term limit may be extended by vote of the committee  
33 to a maximum of one (1) year. The chair and secretary shall rotate  
34 between the parties. Minutes of all meetings, tours and  
35 recommendations shall be forwarded to the Committee members,  
36 the senior operations site manager(s) the EHS Director and the  
37 Health and Safety Institute office. Each Site Committee shall be  
38 responsible to carry out those functions as directed by the  
39 Governing Board and as coordinated by the administrative staff. To  
40 support Site Committee efforts, Site Committee members will have  
41 access to a daily safety incident report by site. Each Site

1 Committee also shall make a monthly tour based on the following  
2 criteria: accident injury rates, SHEAR forms, Operations safety  
3 plan goals and objectives and/or other tour indicators agreed to by  
4 the Site Committee. Information gathered will be shared with the  
5 organization, members of the Site Committee, Division Executives,  
6 EHS and the Health and Safety Institute offices. Such tours shall  
7 be conducted as efficiently as possible and time spent in each  
8 instance shall be kept to the reasonably necessary minimum. In  
9 support of Site Committee responsibilities, Site Committee  
10 members will receive adequate training as determined by HSI in  
11 support of individual site requirements.

12 **16.2(f) Hazard Communication Team.** The Hazard Communication  
13 Team shall consist of equal numbers of representatives of each party:  
14 team members will be from Puget Sound, Portland and Wichita. The  
15 Union's representatives shall be individuals who are knowledgeable  
16 about hazard communication issues, and at least one (1) administrative  
17 staff member. The Company's representatives shall be personnel from  
18 EHS and other appropriate organizations, and at least one (1)  
19 administrative staff member. The Team shall meet at least monthly and  
20 shall select from among its members a chairperson and secretary who  
21 shall serve a half-year term. The term limit may be extended by a vote  
22 of the committee to a maximum of one (1) year. The chair and secretary  
23 shall rotate between the parties. The Team shall be under the direction  
24 of the Governing Board as coordinated by the administrative staff, and  
25 shall be responsible for reviewing the occupational health and safety  
26 effects resulting from changes in machines, processes or materials,  
27 staying current with Company/industry manufacturing trends and  
28 providing information and communications to employees. To enhance  
29 the communication between various health and safety activities, the  
30 chair and secretary of the Hazard Communication Team will provide a  
31 monthly report to the Joint Health and Safety Communication  
32 Committee.

33 **16.2(g) Health and Safety Training.** The Health and Safety Institute  
34 will develop, provide and/or deliver health and safety training that  
35 impacts IAM bargaining unit employees.

36 **16.2(g)(1)** The Health and Safety Institute provides training for  
37 employees where driven by requesting organizations, Operations  
38 safety plans, appropriate occupational health and safety practices  
39 and compliance, and other training mutually agreed to by the  
40 Governing Board.

1           **16.2(g)(2) Shop Safety Monitors/Focals.** The Union and  
2 Company agree that shop safety monitors/focals should be  
3 considered as leaders in employee participation to help deploy  
4 individual team safety plans. Utilization of shop safety  
5 monitors/focals can be an effective means by which the Company  
6 and Union working together can create a safer workplace through  
7 enhanced employee involvement. The Institute, working with local  
8 management, EHS, Union Stewards and Site Committee members  
9 provides to requesting organizations a shop safety monitor/focal  
10 selection process and training plan. All organizations shall have a  
11 safety focal program and allow safety focals time to perform their  
12 assigned duties. Identified safety focals shall be provided relevant  
13 foundational and area specific safety focal training for their work  
14 environment.

15           **16.2(g)(3)** When the need arises, subject matter experts (SMEs)  
16 from the bargaining unit may be used in the development and  
17 delivery of health and safety training with concurrence of the SMEs  
18 home organization. SMEs will be identified, selected and approved  
19 by the administrative staff. With concurrence between the Institute  
20 and the affected organizations, normal lost time charges for those  
21 SMEs assigned to assist in the development or delivery of such  
22 training may be paid by the Institute or the home organization.

23           **16.2(g)(4)** In the spirit of partnering, all Joint Programs offered  
24 training courses will be offered equally to IAM and management  
25 attendees.

26           **16.2(h) Employee Participation.** The Governing Board, the  
27 administrative staff, the Joint Health and Safety Communication  
28 Committee, a Site Committee or the Hazard Communication Team may  
29 utilize the expertise of bargaining unit employees either as advisors or  
30 as representatives on the joint Health and Safety Communication  
31 Committee, or on a Site Committee with concurrence of their home  
32 organization. Time spent by these individuals in such capacities shall  
33 be considered to be paid work time. In addition, no bargaining unit  
34 employee who has served as an advisor or representative shall be  
35 subject to discrimination or retaliation because of such activities.

36           **16.2(i) Expenditure of Funds.** The Company will provide the  
37 necessary funds in support of the IAM/Boeing Health & Safety  
38 Institute's activities and such other health and safety related expenses  
39 as may be agreed to by the Governing Board. The details of such

1 funding are described in the parties' Letter of Understanding No. 18,  
2 entitled Expenditure of Funds Under Article 16 and Article 20.

3 **16.2(j) Indemnity.** The Company shall indemnify and hold the Union  
4 and its representatives harmless from and against any and all claims,  
5 demands, charges, complaints or suits against them which are based on  
6 or arise out of any action taken by them in accordance with the  
7 foregoing provisions of this Section 16.2.

### 8 **Section 16.3 Health and Safety Focal Points.**

9 The Union and the Company will designate a health and safety focal point  
10 for each site or facility. The Union will designate a business representative  
11 or appropriate delegate as the Union's focal point. The Company will  
12 designate the appropriate site safety manager as the Company's focal point.  
13 The focal points will be the contact for occupational health and safety issues  
14 at such site or facility. In addition, the Union focal point will represent the  
15 Union at health and safety regulatory agency site reviews requiring Union  
16 participation, including walk-around inspections and complaint  
17 investigations. In addition, the Union focal point will represent the Union at  
18 Company site reviews, including Incident Review Boards (IRB), and Special  
19 Investigations (SI's).

### 20 **Section 16.4 Use of Safety Devices.**

21 **16.4(a)** The Company will furnish proper, modern and sanitary safety  
22 devices (except eyeglasses ground and fitted to individual requirements)  
23 for all employees working on potentially hazardous work. It shall be  
24 mandatory for all employees to use such devices when the Company  
25 determines that they are necessary. The Company shall replace any  
26 Company approved employee provided prescription safety glasses or  
27 approved safety shoes accidentally and irreparably damaged while  
28 performing their job assignment if the employee's own negligence or  
29 lack of care was not a primary factor.

30 **16.4(b)** The Union and the Company have a longstanding commitment  
31 to individual employee safety and regulatory compliance. This  
32 commitment extends to issues regarding personal protective equipment  
33 and safety devices and the value of working together to create an injury-  
34 free workplace. To further their commitment, the parties have agreed  
35 that the IAM/Boeing Health and Safety Institute and the Company will  
36 maintain a process that will provide employees up to \$150.00 per year  
37 towards the purchase of approved safety shoes where such shoes are  
38 mandatory due to regulatory compliance or Company directive.



1 **Section 16.5 Safety Health and Environmental Action Request**  
2 **(SHEAR).**

3 The Health and Safety Institute Site Committees shall work closely with  
4 employees and management to find solutions to health and safety issues and  
5 concerns. To that end, the parties agree that the preferred process for  
6 addressing the health and safety matters is the SHEAR process.  
7 Furthermore, the Parties agree to promote the SHEAR process to IAM  
8 members, their managers, and Union leadership. SHEARs are a tool that  
9 formally allows the employee, manager, EHS, HSI, and other parties, as  
10 needed, to work together to resolve health and safety concerns and document  
11 the solutions. Further, it is the intent of the parties to immediately resolve  
12 safety-related problems at the location where the safety or health concern  
13 arises; therefore, the appropriate management and the Union Steward will  
14 be an integral part of the resolution process. Site Committee members will  
15 be assigned to assist any SHEAR that has not been resolved within 30 days  
16 and continue to assist until closure. Any SHEAR that has not been closed  
17 within 180 days will be elevated to the program/business unit Company  
18 Leader, the Co-Directors of IAM/Boeing Joint Programs, and the Site  
19 Leader of EHS for review and to determine if there is additional help needed.  
20 A SHEAR will only be closed by the initiator, or by the HSI Site Admin  
21 agreement. A copy of the closed SHEAR form shall be furnished to the  
22 chairperson of the appropriate Site Committee and the EHS safety office.  
23 IAM/Boeing Joint Programs will maintain and make available SHEAR  
24 training for members, safety focals, site committee members, EHS, and  
25 managers.

26 **Section 16.6 Disputes.**

27 Disputes concerning the Health and Safety Institute or its operations may be  
28 referred by the Joint Programs Executive Directors to the Governing Board  
29 for final resolution. No matter involving Sections 16.1 through 16.5 shall  
30 be subject to the grievance and arbitration procedure of Article 19 of this  
31 Agreement.

32 **Section 16.7 Requirement of Medical Examination.**

33 In the interest of continued health and safety of individuals and their fellow  
34 employees, any applicant for employment, any employee returning from  
35 layoff or leave of absence, any employee requesting return from disability  
36 retirement or medical layoff, any employee with a medical recommendation,  
37 or any other active employee may be required by the Company to undergo a  
38 medical examination by a Health Care Provider of the Company's selection.  
39 Applicants and employees will be furnished a copy of the Health Care  
40 Provider's report and/or medical recommendation upon their request. If an  
41 employee is found to be incapable of performing the work functions of the

1 job title because of a medical recommendation, the Company will attempt to  
2 place such employee in available work which, in the opinion of the  
3 Company, he/she is medically capable of performing. In the event that  
4 reassignment to a lower labor grade, denial of promotion, denial of return to  
5 active employment, involuntary separation from the payroll or other adverse  
6 action results from the Company's finding of medical disqualification, the  
7 Union may take such finding through the regular grievance channels; and  
8 such grievance, in order to be processed, (a) must be supported by medical  
9 testimony which is contradictory to the Company's findings and (b) must be  
10 filed by the business representative with the designated representative of the  
11 Company within seven (7) workdays after the date of such reassignment to  
12 a lower labor grade, such denial of promotion, such denial of return to active  
13 employment, such involuntary separation from the payroll or such other  
14 adverse action.

15 **Section 16.8 First Aid.**

16 **16.8(a)** The Company will maintain registered nurses or qualified first  
17 aid attendants, emergency first aid stations, and emergency first aid  
18 service to care for employees in case of accidental injuries at the Puget  
19 Sound, Portland and Wichita Primary Locations.

20 **16.8(b)** The Company will maintain emergency first aid service at  
21 other locations unless such service is available from military or other  
22 sources.

23 **16.8(c)** When an employee at work requires immediate medical  
24 attention by a private medical practitioner or at a hospital due to an  
25 industrial injury/illness or exposure to hazardous agents in the work  
26 environment, and the employee is not able to provide his/her own  
27 transportation, the Company will provide the transportation to and from  
28 the employee's normal work location. If such an employee is returned  
29 to his/her work location too late to use his/her normal transportation  
30 home, the Company will provide that transportation.

31 **Section 16.9 Medical Recommendations.**

32 **16.9(a)** A medical recommendation is a description of an employee's  
33 functional capabilities (i.e. physical or cognitive abilities) which are  
34 limited due to a medical condition. Medical recommendations are  
35 issued by the Company Health Care Provider based on a review of  
36 relevant information, including information from the employee's  
37 community Health Care Provider when available.

38 **16.9(b)** An employee who may need a new medical recommendation  
39 or the removal of a current medical recommendation, shall have the

1 responsibility to report to the nearest Company medical clinic or  
2 dispensary and provide the following information, as applicable:

3 **16.9(b)(1)** Upon the employee's return to work, the employee's  
4 community Health Care Provider's statement including the date the  
5 employee is released to return to work, and the employee's  
6 functional capabilities;

7 **16.9(b)(2)** To report for re-evaluation when the period of a time-  
8 limited medical recommendation has elapsed, with a statement  
9 from the employee's community Health Care Provider regarding  
10 the functional capabilities if available;

11 **16.9(b)(3)** A statement by the employee's community Health Care  
12 Provider pertaining to his/her medical condition, or change to such  
13 condition, including a statement of the employee's functional  
14 capacities.

15 If the Company's Health Care Provider agrees that the medical  
16 condition of the employee warrants the initiation, removal or  
17 modification of a medical recommendation, such action will be  
18 taken. A medical recommendation will be removed when the  
19 medical recommendation expires, or is discontinued by the  
20 Company's Health Care Provider.

21 **Section 16.10 Employees with Injuries or Illnesses.**

22 With respect to employees who suffer an injury or illness on or after  
23 November 22, 1989:

24 **16.10(a)** An employee who is unable to perform his/her job because of  
25 injury or illness may be reclassified to another job title that he/she is  
26 qualified and able to perform subject to the employee's medical  
27 recommendations or shall be reclassified to a job in which he/she has  
28 established surplus rights (Category A, downgrade, and reclassification)  
29 in Article 22 subject to the employee's medical recommendation.

30 **16.10(b)** Employees whose initial reclassification under Section  
31 16.10(a) is to a lower-graded job shall receive the rate of pay for the job  
32 he/she would have held under Article 22 but for an industrial injury or  
33 illness, subject to the maximum of the labor grade he/she held  
34 immediately prior to the reclassification. This pay rate protection shall  
35 begin on the date when (1) the employee is reclassified to a lower-  
36 graded job, or (2) the employee's workers' compensation claim is either  
37 accepted by the Company or determined by the State to be compensable  
38 and shall end five (5) years later or at the employee's return to his/her

1 former job or labor grade, if earlier. In the case of items (1) and (2), pay  
2 protection will begin on the latter of the two (2) dates.

3 **16.10(c)** Employees on a leave of absence that was granted due to  
4 injury or illness shall be considered for placement pursuant to Articles  
5 15 and 22. If suitable placement is identified, the employee shall, no  
6 later than the next work day following the day he/she is cleared to return  
7 to work by the Company or its agents, be returned to work or be  
8 considered to be on report time under Section 6.9 if he/she reports to  
9 work until he/she is so returned.

10 **16.10(d)** If the employee requires medical care for the injury or illness  
11 and if such care unavoidably occurs during working hours, any such  
12 absence shall be excused with no attendance infraction. This section  
13 applies whether the injury or illness is an on-the-job or off-the-job  
14 injury or illness. The following provisions only apply if the need for  
15 medical care “unavoidably occurs during working hours” which means  
16 either:

17 (a) that a manager directed or approved the employee to stop working  
18 and report to Boeing Medical or other medical professional, and in  
19 doing so; the medical professional determined the employee was not  
20 cleared to work the remainder of their shift and needed to seek  
21 immediate medical attention; or

22 (b) that a manager directed or approved the employee’s departure from  
23 work for the purpose of obtaining necessary medical care, and after  
24 departing work, the employee promptly sought and obtained medical  
25 care from a medical professional; or

26 (c) for designated overtime where an employee has a pre-scheduled  
27 medical appointment after their regular shift and working would result  
28 in a cancellation penalty for the appointment or unreasonable delay in  
29 necessary medical care.

30 For absences to be excused, proof of medical care for all situations listed  
31 above must be provided to Boeing Medical, other Boeing-designated  
32 processes, or manager upon the employee's return to work. These absences  
33 will be considered as excused as it relates to the employee’s attendance, from  
34 the employee's departure from work to the clearance to return provided by  
35 Boeing Medical or other Boeing-designated processes for the specific  
36 condition that removed them from the workplace; regardless of available  
37 sick leave credits. Leave of absence provisions will apply for consecutive  
38 absences that are greater than seven (7) days.

1 **Section 16.11 Union Liability to Employees.**

2 Nothing contained in this Article 16 shall be construed to create or give rise  
3 to a claim by a member of the bargaining units that the Union acted  
4 wrongfully or failed to take action with respect to any alleged breach of  
5 contract by the Union with respect to any matter covered by this Article 16.

6 **ARTICLE 17**  
7 **APPRENTICES**

8 **Section 17.1 Apprentice Rates.**

9 Effective September 13, 2024, rates of pay for apprentices shall be as  
10 follows:

<b>Time Period</b>	<b>Grade 8*</b>	<b>Grade 9*</b>	<b>Grade 10*</b>
1st six months (1000 hours)	\$40.53	\$41.56	\$42.43
2nd six months (1000 hours)	\$42.26	\$43.32	\$43.90
3rd six months (1000 hours)	\$43.98	\$45.08	\$45.34
4th six months (1000 hours)	\$45.67	\$46.84	\$46.80
5th six months (1000 hours)	\$47.38	\$48.60	\$48.26
6th six months (1000 hours)	\$49.10	\$50.36	\$49.71
7th six months (1000 hours)	\$50.82	\$52.12	\$51.14
8th six months (1000 hours)	\$52.52	\$53.90	\$52.61
*9th six months (1000 hours)	N/A	N/A	\$54.07
*10th six months (1000 hours)	N/A	N/A	\$55.52

11 \*Applicable only to programs that require 10,000 hours.

12 The base rates set forth above shall be adjusted in the same manner set forth  
13 in Sections 6.3(b), including the application of Section 6.4.

14 **Section 17.2 Apprentice Agreements.**

15 The Apprentice Agreement first executed October 27, 1939 and approved  
16 by the Washington State Apprentice Council November 6, 1939, and as  
17 amended effective April 20, 1978, shall be applicable within the State of  
18 Washington only, and the Apprentice Agreement executed February 10,  
19 1988, and approved by the State of Oregon Apprenticeship and Training  
20 Council June 9, 1988, shall be applicable at Boeing of Portland, Multnomah  
21 County, Oregon only, and the Apprentice Agreement executed November 1,  
22 2001 with the State of Kansas Apprenticeship Council shall be applicable  
23 within the State of Kansas only. These Agreements may be extended to  
24 other Company locations by later mutual agreement of the Company and the  
25 Union. The Apprentice Agreements, as now applicable, and any extended  
26 application of either of them by later agreement of the parties shall not  
27 contravene the provisions of this Agreement.

1 **ARTICLE 18**  
2 **STRIKES AND LOCKOUTS**

3 The Union agrees that during the term of this Agreement, and regardless of  
4 whether an unfair labor practice is alleged (a) there will be no strike, sit-  
5 down or walk-out and (b) the Union will not directly or indirectly authorize,  
6 encourage or approve any refusal on the part of employees to proceed to the  
7 location of normal work assignment where no rare or unusual physical  
8 hazard is involved in proceeding to such location. Any employee who  
9 violates this clause shall be subject to discipline. The Company agrees that  
10 during the term of this Agreement there will be no lock-out of employees  
11 covered by this Agreement. Any claim by either party that the other party  
12 has violated this Article 18 shall not be subject to the grievance procedure  
13 or arbitration provisions of this Agreement, and either party shall have the  
14 right to submit such claim to the court.

15 **ARTICLE 19**  
16 **GRIEVANCE PROCEDURE AND ARBITRATION**

17 **Section 19.1 Establishment of Grievance and Arbitration Procedure.**

18 Grievances or complaints arising between the Company and its employees  
19 subject to this Agreement, or the Company and the Union, with respect to  
20 the interpretation or application of any of the terms of this Agreement, shall  
21 be settled according to the following procedure. Subject to the terms of this  
22 Article 19 relating to cases of dismissal or suspension for cause or of  
23 involuntary resignation, only matters dealing with the interpretation or  
24 application of terms of this Agreement shall be subject to this grievance  
25 machinery.

26 **Section 19.2 Employee Grievances.**

27 In the case of grievances on behalf of employees and subject to the further  
28 provisions of Section 19.3 below, relating to cases of layoff or dismissal or  
29 suspension for cause or involuntary resignation:

30 **STEP 1. Oral Discussion.** The employee first shall notify his/her  
31 supervisor of his/her grievance and then, if he/she so desires, shall  
32 discuss his/her grievance with the steward or the Union business  
33 representative, and if the steward or the business representative  
34 considers the grievance to be valid, then the employee and the steward  
35 or business representative will contact the employee's supervisor and  
36 will attempt to effect a settlement of the complaint. This procedure,  
37 however, will not prevent an employee from contacting his/her  
38 supervisor if he/she so chooses. If the purpose of the employee's  
39 contacting his/her supervisor is to adjust the grievance, the steward or

1 the business representative shall be given an opportunity to be present  
2 and such adjustment shall be in conformity with this Agreement.

3 **STEP 2. Grievance Reduced to Writing – Handling at Supervisory**  
4 **Level.** If no settlement is reached in Step 1, the steward or business  
5 representative, if he/she considers the grievance to be valid, may at any  
6 time reduce to writing a statement of the grievance or complaint which  
7 shall contain the following:

- 8 (a) The facts upon which the grievance is based.
- 9 (b) Reference to the section or sections of the Agreement alleged  
10 to have been violated (this will not be applicable in cases of  
11 dismissal or suspension for cause or of involuntary  
12 resignation).
- 13 (c) The remedy sought.

14 The steward or business representative shall submit the written  
15 statement of grievance to the supervisor for reconsideration, with a copy  
16 that the supervisor will send to the designated Labor Relations  
17 representative of the Company. After such submission the supervisor  
18 and the steward or business representative may, within the next five (5)  
19 workdays (unless mutually extended), settle the written grievance and,  
20 over their signatures, indicate the disposition made thereof. Otherwise,  
21 promptly after the expiration of such five (5)-day period (or agreed  
22 extension thereof) the supervisor and the steward or business  
23 representative shall sign the grievance, with the supervisor indicating  
24 the basis for denying the grievance, and their signatures will indicate  
25 that the grievance has been discussed and reconsidered by them and that  
26 no settlement has been reached.

27 **STEP 3. Written Grievance; Handling at Business Representative-**  
28 **Company Representative Level.** If no settlement is reached in Step 2,  
29 within the specified or agreed time limits, the business representative  
30 may at any time thereafter submit the grievance to the designated  
31 representative of the Company. After such submission the designated  
32 representative of the Company and the business representative may,  
33 within the next ten (10) workdays (unless mutually extended), settle the  
34 grievance and, over their signatures, indicate the disposition made  
35 thereof. Otherwise, promptly after the expiration of such ten (10)-day  
36 period (or agreed extension thereof) the designated representative of the  
37 Company and the business representative shall sign the grievance, with  
38 the designated representative indicating the basis for denying the  
39 grievance, and their signatures will indicate that the grievance has been

1 discussed and reconsidered by them and that no settlement has been  
2 reached.

3 **STEP 4. Arbitration.** If no settlement is reached in Step 3 within the  
4 specified or agreed time limits, then either party may in writing, within  
5 ten (10) workdays thereafter, request that the matter be submitted to an  
6 arbiter for a prompt hearing as hereinafter provided in Sections 19.6 to  
7 19.9, inclusive.

### 8 **Section 19.3 Dismissals, Suspensions, Layoffs, Etc.**

9 In cases of layoff, or of dismissal or suspension for cause, or of involuntary  
10 resignation, the employee shall be given a copy of the layoff, suspension or  
11 termination of service slip, as the case may be, if he/she is available to be  
12 presented with such copy. If he/she is not available, copies of the slip will  
13 be sent to the employee and to the Union office. The employee shall have  
14 the right to appeal the action shown on the slip providing the business  
15 representative files a written grievance, beginning at Step 3, with the  
16 designated representative of the Company within seven (7) workdays after  
17 the date of layoff, dismissal, suspension for cause or involuntary resignation,  
18 or within seven (7) workdays after the date of the mailing of the copy of the  
19 slip, provided, however, that any dismissal or suspension of an employee  
20 who has committed a sex crime victimizing a child or children shall be  
21 deemed to be for cause and shall not be subject to the grievance and  
22 arbitration procedure of this Article 19. The written grievance then may be  
23 processed through subsequent steps.

### 24 **Section 19.4 Union Versus Company and Company Versus Union** 25 **Grievances.**

26 In the case of any grievance which the Union may have against the Company  
27 or the Company may have against the Union, the processing of such  
28 grievance shall begin with Step 3 and shall be limited to matters dealing with  
29 the interpretation or application of terms of this Agreement. Such grievance  
30 shall be submitted in writing to the designated representative of the  
31 Company or the designated representative of the Union, and shall contain  
32 the following:

33 **19.4(a)** Statement of the grievance setting forth the facts upon which  
34 the grievance is based.

35 **19.4(b)** Reference to the section or sections of the Agreement alleged  
36 to have been violated.

37 **19.4(c)** The correction sought.

38 The grievance shall be signed by the designated representative of the Union  
39 or the designated representative of the Company. If no settlement is reached



1 within ten (10) workdays (unless mutually extended) from the submission  
2 of the grievance to the designated representative of the Company or the  
3 designated representative of the Union, as the case may be, both shall sign  
4 the grievance and indicate that it has been discussed and reconsidered by  
5 them and that no settlement has been reached. Within ten (10) workdays  
6 thereafter either party may in writing request that the matter be submitted to  
7 an arbiter for a prompt hearing as hereinafter provided in Sections 19.6 to  
8 19.9, inclusive.

9 **Section 19.5 Retroactive Compensation.**

10 Grievance claims involving retroactive compensation shall be limited to  
11 thirty (30) calendar days prior to the written submission of the grievance to  
12 Company representatives, provided, however, that this thirty (30)-day  
13 limitation may be waived by mutual consent of the parties.

14 **Section 19.6 Suspension Pending Investigation.**

15 An employee who is removed from the workplace and suspended pending  
16 an investigation of allegations of misconduct shall be paid for all regular  
17 hours at their base rate in effect at the time, plus applicable shift differential  
18 and the cost of living adjustment per their regularly scheduled shift for each  
19 day of such suspension pending investigation, and shall receive all benefits  
20 for the duration of the investigation.

21 For investigations for threat of violence, actual violence, or sabotage, when  
22 an employee is suspended from work due to a disciplinary investigation in  
23 excess of two (2) weeks, the employee shall be paid for all regular hours at  
24 their base rate in effect at the time, plus applicable shift differential and cost  
25 of living adjustment, and shall receive all benefits during such period.

26 If not disciplined, the employee shall be paid for all regular hours at their  
27 base rate in effect at the time, plus applicable shift differential and the cost  
28 of living adjustment per their regularly scheduled shift for each day of such  
29 suspension pending investigation for any time without pay. If disciplined,  
30 the employee shall be paid as time worked for any unpaid suspension  
31 pending investigation status, less the time of the disciplinary suspension.

32 **Section 19.7 Selection of Arbiter – By Agreement.**

33 In regard to each case proceeding to arbitration from Step 4, the parties will  
34 attempt to agree on an arbiter to hear and decide the particular case. If the  
35 parties are unable to agree to an arbiter within ten (10) workdays after  
36 submission of the written request for arbitration, the provisions of Section  
37 19.8 shall apply to the selection of an arbiter.

1 **Section 19.8 Selection of Arbitrator.**

2 The grieving party shall request the American Arbitration Association  
3 (AAA) to submit a panel of seven (7) available arbiters. On the Demand for  
4 Arbitration form, the filing party shall request that hearings be held at the  
5 region of the Primary Location or virtually/remotely. The request shall also  
6 include a requirement that all panel members must be members of the  
7 National Academy of Arbitrators. The Parties will jointly determine hearing  
8 location/method. When notification of the names of the panel of seven (7)  
9 arbiters is received, the parties in turn shall have the right to strike a name  
10 from the panel until only one (1) name remains. The remaining person shall  
11 be the arbiter. The party to strike the first arbiter from the panel shall  
12 alternate between the parties for each case. If the selected arbitrator is not  
13 available to conduct a hearing within sixty (60) days (unless mutually  
14 extended) the parties can agree to utilize the last struck arbitrator. If mutual  
15 agreement cannot be reached to extend or utilize the last struck arbitrator,  
16 the grieving party will request a new panel of arbiters from AAA.

17 **Section 19.9 Arbitration – Rules of Procedure.**

18 Arbitration pursuant to Step 4 shall be conducted in accordance with the  
19 following:

20 **19.9(a)** The arbiter shall hear and accept pertinent evidence submitted  
21 by both parties and shall be empowered to request such data as he/she  
22 deems pertinent to the grievance and shall render a decision in writing  
23 to both parties within fifteen (15) days (unless mutually extended) of  
24 the completion of the hearing.

25 **19.9(b)** The arbiter shall be authorized to rule and issue a decision in  
26 writing on the issue presented for arbitration, which decision shall be  
27 final and binding on both parties.

28 **19.9(c)** The arbiter shall rule only on the basis of information presented  
29 in the hearing before him/her and shall refuse to receive any information  
30 after the hearing except when there is mutual agreement, in the presence  
31 of both parties.

32 **19.9(d)** Each party to the proceedings may call such witnesses as may  
33 be necessary in the order in which their testimony is to be heard. Such  
34 testimony shall be limited to the matters set forth in the written  
35 statement of grievance. The arguments of the parties may be supported  
36 by oral comment and rebuttal. Either or both parties may submit written  
37 briefs within a time period mutually agreed upon. Such arguments of  
38 the parties, whether oral or written, shall be confined to and directed at  
39 the matters set forth in the grievance.

1       **19.9(e)** Each party shall pay any compensation and expenses relating  
2 to its own witnesses or representatives.

3       **19.9(f)** The Company and the Union shall, by mutual consent, fix the  
4 amount of compensation to be paid for the services of the arbiter. The  
5 Union or the Company, whichever is ruled against by the arbiter, shall  
6 pay the compensation of the arbiter including his/her necessary  
7 expenses.

8       **19.9(g)** The total cost of the stenographic record (if requested) will be  
9 paid by the party requesting it. If the other party also requests a copy,  
10 that party will pay one-half of the stenographic costs.

11       **Section 19.10 Extension of Time Limits by Agreement.**

12 Time limits designated in this Article 19 for processing grievances and for  
13 bringing a matter to arbitration may only be extended by mutual written  
14 consent.

15       **Section 19.11 Agreement Not to Be Altered.**

16 In arriving at any settlement or decision under the provisions of this Article  
17 19, neither the parties nor the arbiter shall have the authority to alter this  
18 Agreement in whole or in part.

19       **Section 19.12 Conferences During Working Hours.**

20 All conferences resulting from the application of provisions contained in this  
21 Article 19 shall be held during working hours.

22       **Section 19.13 Business Representative, When Not Available, May**  
23       **Authorize Designee.**

24 For any period that the business representative is unavailable to serve in that  
25 capacity under this Article 19, he/she may designate an accredited steward  
26 or another accredited business representative to act for him/her, as his/her  
27 designee. As to each such period of unavailability, authorization of the  
28 designee will be accomplished by the business representative informing the  
29 appropriate Company representative of the expected period of the business  
30 representative's unavailability and naming the designee. When the business  
31 representative again is available to perform his/her duties under this Article  
32 19, he/she shall promptly notify the Company representative of the fact and  
33 such notice will terminate the period during which the designee is authorized  
34 to act.

35       **Section 19.14 Signing Grievance Does Not Concede Arbitrable Issue.**

36 The signing of any grievance by any employee or representative either of  
37 the Company or of the Union shall not be construed by either party as a  
38 concession or agreement that the grievance constitutes an arbitrable issue,  
39 that other claims or defenses may not be raised, or that the grievance is

1 properly subject to the grievance machinery under the terms of this Article  
2 19.

3 **Section 19.15 Union Jurisdictional Claims.**

4 Union jurisdictional claims arising under the provisions of Section 1.3 of  
5 this Agreement, except those identified in Section 1.3(f), shall be handled  
6 pursuant to the provisions of Section 19.4 and Sections 19.6 through 19.14,  
7 inclusive, except that the following requirements shall apply:

8 **19.15(a)** The written statement of grievance shall identify the job  
9 involved, state the Union's contention or contentions in detail, and shall  
10 contain a detailed statement of the reasons for the position taken by the  
11 Union.

12 **19.15(b)** If the Company and the Union are unable to agree upon the  
13 contents and scope of the record to be presented to the arbiter, either  
14 party may present to the arbiter whatever evidence, testimony and  
15 written argument it deems relevant to the question to be submitted to  
16 the arbiter. A written summary of such evidence, testimony and written  
17 argument will be submitted to the other side at least ten (10) days in  
18 advance of the hearing.

19 **19.15(c)** If the parties are unable to agree upon the question that it is to  
20 be submitted to the arbiter for decision, the question to be submitted to,  
21 and answered by, the arbiter shall be:

22 "On the basis of the evidence, information, and arguments  
23 submitted by the parties in reference to the Union's contention in  
24 this case, is the Company violating Article 1, Section 1.1,  
25 paragraphs 1.1(a), 1.1(b), 1.1(c), or 1.1(d)?"

26 **19.15(d)** The arbiter shall answer the question submitted to him/her  
27 under Section 19.15(c) or the agreed statement of the issue presented by  
28 both parties. The arbiter's answer shall either be in the affirmative or  
29 the negative. The arbiter shall confine the proceedings before him/her  
30 to the questions presented to him/her in accordance with this Section  
31 19.15 and he/she shall not have authority to specify any change in a job  
32 or any change in the work assignments under a job or the creation of a  
33 new job or any other remedy or type of award.

34 **19.15(e)** If the arbiter's answer sustains the Union's contention, the  
35 Company shall, within thirty (30) days (or any longer period to which  
36 the parties may mutually agree) after receiving the arbiter's decision,  
37 take whatever corrective action is necessary to eliminate the basis for  
38 the Union's jurisdictional claim in the particular case.

1           **19.15(f)** Any resolution of any claim or controversy under Section 1.3,  
2           whether by mutual agreement or by arbitration, that requires corrective  
3           action on the part of the Company shall be prospective in effect from  
4           the date of the corrective action taken by the Company.

5   **ARTICLE 20**  
6   **QUALITY THROUGH TRAINING**

7           **Section 20.1 Mutual Objective.**

8           The Union and Company agree that it is to their mutual benefit, in a  
9           competitive global economy and environment of rapid technological  
10           innovation and change, to work together to improve the quality of worklife  
11           and productivity. The parties, utilizing participative principles, will offer a  
12           diverse range of opportunities for training, retraining, and personal growth  
13           to enhance employee development and satisfaction and support increased  
14           market share and improved economic performance of the Company.

15          **Section 20.2 IAM/Boeing Quality Through Training Program.**

16           **20.2(a) Purpose.** It is the intent of the parties to develop and implement  
17           a wide variety of mutually agreeable training, education, and learning  
18           programs and services as well as support for other joint activities. These  
19           activities will include efforts to ensure Union and management  
20           representatives are trained in participative, cooperative techniques and  
21           concepts. Therefore, the IAM/Boeing Quality Through Training  
22           Program (QTTP) exists to support the parties' mutual objectives and  
23           will target training: (1) for employees who may be impacted or their  
24           job duties and responsibilities affected by technology changes,  
25           manufacturing process changes, and/or job combinations; (2) for  
26           employees who wish to meet their individual career/personal  
27           development goals; (3) for laid-off employees to enable them to become  
28           better qualified for employment within or outside the Company; and (4)  
29           to enhance employee workplace knowledge and skills (academic,  
30           employability, occupational and technical).

31           **20.2(b) IAM/Boeing Joint Programs National Governing Board**  
32           **and Executive Directors.** General direction and guidance of the  
33           IAM/Boeing Quality Through Training Program (QTTP) shall be the  
34           responsibility of the IAM/Boeing Joint Programs National Governing  
35           Board (Governing Board) as described in the parties' Letter of  
36           Understanding No. 26, entitled Administration of Joint Programs, and  
37           the parties' Letter of Understanding No. 18, entitled Expenditure of  
38           Funds Under Article 16 and Article 20. The Governing Board's  
39           responsibilities also include determining the extent to which funding

1 should be expended on paid time training for employees who may be  
2 impacted by technology changes, manufacturing process changes, and  
3 job combinations. Oversight of day-to-day operations of QTTP and  
4 coordination of QTTP administrative staff activities, as directed by the  
5 Governing Board, shall be the responsibility of the IAM/Boeing Joint  
6 Programs Executive Directors as described in the parties' Letter of  
7 Understanding No. 26.

8 **20.2(c) IAM / Boeing Quality Through Training Program (QTTP)**  
9 **Administrative Staff.** In support of the QTTP purpose as outlined in  
10 Section 20.2(a), the staff will be responsible for developing,  
11 recommending, and implementing training programs which may be site  
12 specific or program wide. The IAM/Boeing Quality Through Training  
13 Program (QTTP) Administrative Staff is described in the parties' Letter  
14 of Understanding No. 26, Sections C and D.

15 **20.2(d) Training Programs.** QTTP, by working together with line  
16 organizations, Union representatives, and subject matter experts, will  
17 identify education, training and retraining needs to support IAM  
18 bargaining unit employees. QTTP will design, develop and implement  
19 training, education and learning strategies to support those needs by  
20 working closely with the appropriate organizations both within and  
21 outside the Company. Program activities may include: (1) identifying  
22 areas of skills which will be required by the Company in the future and  
23 develop courses to provide those skills; (2) establishing education and  
24 training programs so that participants can become aware of growth  
25 opportunities, identify their career/personal development goals and  
26 create action plans to reach those goals; (3) developing criteria for  
27 selecting candidates for training; (4) establishing criteria to determine  
28 successful completion of the courses; (5) developing a system to record  
29 successful completion for future consideration. The recommended  
30 training programs will be developed, to the extent feasible, to be  
31 compatible with the Company's existing training programs. In order to  
32 accomplish these activities the QTTP staff will: (1) make decisions  
33 regarding training delivery systems/processes (e.g., technical schools,  
34 community colleges, home study programs, in-plant skill centers,  
35 Employee Development Resource Centers, etc.); (2) evaluate the  
36 effectiveness of such training programs and courses and the delivery  
37 systems utilized; (3) develop communication programs to inform active  
38 and laid-off employees about the availability and purpose of the training  
39 programs and encourage employees to participate in and successfully  
40 complete the available training; and (4) investigate the availability of  
41 state and federal funds which could be used to augment training,

1 placement, relocation and support services for active and laid-off  
2 workers. In addition to developing training programs for laid-off  
3 employees to enable them to become better qualified for employment  
4 by the Company, the staff also will consider special programs to assist  
5 laid-off employees in career advising and job placement for non-Boeing  
6 jobs.

7 **20.2(e) Apprenticeship.** As approved by the National Governing  
8 Board, QTTP will support Apprenticeship programs. IAM/Boeing  
9 Apprenticeship programs in Kansas, Washington and Oregon will be  
10 under the direction of the Joint Apprenticeship Committees and  
11 administered by QTTP.

12 **20.2(f) Expenditure of Funds.** The Company will provide the  
13 necessary funds in support of the IAM/Boeing Quality Through  
14 Training Program's activities which may include tuition, facilities, staff  
15 administration, communications, equipment, materials, on-hour  
16 training and such other expenses as may be agreed to by the Governing  
17 Board. The details of such funding are described in the parties' Letter  
18 of Understanding No. 18, entitled Expenditure of Funds under Article  
19 16 and Article 20.

20 **20.2(g) Disputes.** Disputes concerning QTTP or its operation or the  
21 selection of candidates may be referred by the Joint Programs Executive  
22 Directors to the Governing Board for final resolution. No matter  
23 involving QTTP will be subject to the grievance and arbitration  
24 procedure of Article 19 of this Agreement.

25 **20.2(h) Career Advising Services.** IAM/Boeing Joint Programs will  
26 continue to provide onsite Career Advising services throughout Puget  
27 Sound and Portland, giving consideration to Training Connections.

### 28 **Section 20.3 Tuition Fees.**

29 The payment of tuition/fees (to the extent such payment is not available  
30 from a governmental agency) will be provided for an employee who  
31 voluntarily participates in a course or training program approved by QTTP.

32 **20.3(a)** Participation under the provision of this Section 20.3 shall be  
33 subject to the following:

34 **20.3(a)(1)** Application for such participation shall be made on forms  
35 provided by QTTP or the Company and shall be in accordance with  
36 applicable guidelines.

1           **20.3(a)(2)** Reimbursement shall under no circumstance be  
2 considered as compensation to the employee or as part of wage or  
3 wages by the Company, except as required by law.

4           **20.3(a)(3)** Employees eligible for educational funding from a  
5 government agency must apply for and utilize those resources prior  
6 to being eligible for funding under Education Assistance.

7   **ARTICLE 21**  
8   **MISCELLANEOUS**

9           **Section 21.1 Inventions.**

10           **21.1(a)** Employees shall be permitted to retain ownership of an  
11 invention conceived or developed by them if the invention (a) was  
12 developed entirely on the employee's own time and the invention is one  
13 for which no equipment, supplies, facilities, or trade secret information  
14 of the Company was used; and (b) does not (i) relate directly to the  
15 business of the Company or to the Company's actual or demonstrably  
16 anticipated research or development, or (ii) result from any work  
17 performed by the employees for the Company. All other inventions  
18 shall be the property of the Company, and employees shall assist the  
19 Company in the protection of such inventions as directed by the  
20 Company.

21           **21.1(b)** No employee shall be required, as a condition of employment  
22 or continued employment, to sign an invention agreement which  
23 contravenes the provisions of Section 21.1(a).

24           **Section 21.2 Financial Awards.**

25           The Company and the Union agree that bargaining unit employees will be  
26 eligible to participate in the Boeing Cash Award Program, effective January  
27 2006, as defined in the Boeing Cash Award Program administrative guide.  
28 Awards are a one time payment to recognize individual or team  
29 accomplishments. The purpose of this program is to permit timely cash  
30 payments to recognize individual or team accomplishments that are the  
31 result of extraordinary performance or performance that exceeds job  
32 expectations. The Union will be notified of Boeing Cash Awards that are  
33 made to bargaining unit employees. The Company reserves the right to  
34 amend, modify, and/or discontinue the Boeing Cash Award Program at any  
35 time.

36           **Section 21.3 Sabotage.**

37           The Union agrees to report to the Company when it has knowledge of any  
38 acts of sabotage or damage to or the unauthorized or unlawful taking of



1 Company, government, customer or any other person's or employee's  
2 property. The Union further agrees, if any such acts occur, to use its best  
3 efforts in assisting to identify and apprehend the guilty person or persons.

#### 4 **Section 21.4 Nondiscrimination.**

5 All terms and conditions of employment included in this Agreement shall be  
6 administered and applied without regard to race, color, religion, national  
7 origin, status as a disabled or Vietnam era veteran, age, gender, or the  
8 presence of a disability, except in those instances where age, gender, or the  
9 absence of a disability may constitute a bona fide occupational qualification.  
10 If administration and application of the contract is not in contravention of  
11 federal or state law such administration or application shall not be  
12 considered discrimination under this Section 21.4. Notwithstanding any  
13 other provision of this Section 21.4 or of this Agreement, a grievance  
14 alleging a violation of this Section 21.4, shall be subject to the grievance  
15 procedure and arbitration of Article 19 only if it is filed on behalf of and  
16 pertains to a single employee. Class grievances based on alleged violation  
17 of this Section 21.4 shall not be subject to the grievance procedure and  
18 arbitration under Article 19 of this Agreement.

#### 19 **Section 21.5 Security Interviews.**

20 Each employee has the right, during a Security interview which the  
21 employee reasonably believes may result in discipline, to request the  
22 presence of his/her shop steward, if the shop steward is available. If his/her  
23 shop steward is not available, such employee may request the presence of  
24 another immediately available shop steward. If a shop steward, pursuant to  
25 the employee's request, is present during such an interview, the shop  
26 steward, in addition to acting as an observer, may, after the Security  
27 representative has completed his/her questioning of the employee, ask  
28 additional questions of the employee in an effort to provide information  
29 which is as complete and accurate as possible. The shop steward shall not  
30 obstruct or interfere with the interview.

#### 31 **Section 21.6 Employee Assistance.**

32 The parties will cooperate in expanding employee assistance programs in  
33 order to promote the health and well-being of the workforce. These  
34 programs include the following:

35 **21.6(a) Wellness Programs.** The Company will emphasize programs  
36 to improve the health and wellness of the workforce. Examples would  
37 include health monitoring, exercise, hypertension classes, weight loss  
38 programs and stop-smoking classes.

39 **21.6(b) Comprehensive Child and Elder Care Program.** The  
40 Company will establish a comprehensive child and elder care program.

1 This program will consist of referrals of employees to licensed care  
2 facilities, consultation with employees to determine individual needs  
3 and providing educational materials and programs. To further the  
4 objectives contained in this section, the Company agrees to establish a  
5 flexible account to fund child and elder care.

6 **21.6(c) Joint Company-Union Alcohol and Drug Dependency**  
7 **Program.** The parties recognize that drug and alcohol usage can  
8 adversely affect an employee's job performance and the maintenance of  
9 a safe and productive work environment and can undermine public trust  
10 and confidence in the Company's products. Accordingly, they agree to  
11 cooperate in substance abuse awareness and education. This will be in  
12 conjunction with the Joint Company-Union Alcohol and Drug  
13 Dependency Program. The details of the Program are described in the  
14 parties' Letter of Understanding No. 7, entitled Joint Company-Union  
15 Alcohol and Drug Dependency Program.

#### 16 **Section 21.7 Subcontracting.**

17 The parties acknowledge that subcontracting work (moving work from a  
18 Company facility to an outside supplier) and offloading work (moving work  
19 from one Company facility to another Company facility not covered by this  
20 Agreement) affect the job security of employees. The word "work" for  
21 purposes of this Section refers to work of a type currently performed within  
22 the bargaining unit. Accordingly, notwithstanding any other provision of this  
23 Agreement, the Company agrees that employees will not be laid off as a  
24 direct result of subcontracting or offloading work unless they are unwilling  
25 to change jobs (including a downgrade), shift, or locations within the  
26 bargaining unit. This layoff restriction does not apply to strategic work  
27 placements, see below, or offsets or offset arrangements (condition of sale  
28 placements); to a merger, sale, transfer, or other disposition of a plant or  
29 facility or operating unit thereof; or to temporary subcontracting or  
30 offloading necessary because of required equipment overhaul or repair,  
31 labor disruptions, or events beyond the control of the Company (acts of God,  
32 natural disasters, equipment failure, major accidents, etc.).

33 The parties agree to oversee, upon the Union's request, significant  
34 subcontracting and offload proposals (those affecting at least ten (10)  
35 employees) and to determine whether a financially and strategically  
36 justifiable basis exists either to keep work within the Company or return  
37 work to a Company facility covered by this Agreement. To assist in the  
38 oversight process, Union Site Representatives, (six (6) in Puget Sound, and  
39 one (1) in Portland) will actively participate in the Company's Work  
40 Movement Groups' studies, for the purpose of reviewing and

1 recommending, early in the business case analysis, subcontracting or  
2 offloading alternatives that are financially and strategically sound.

3 To enable the Union Site Representatives to suggest alternatives that would  
4 allow the retention of work within the bargaining unit, the Company will, at  
5 least one hundred eighty (180) days prior to signing the subcontract or  
6 offloading the work, provide notice to the Union of plans to subcontract or  
7 offload work then being performed by bargaining unit employees. With  
8 respect to plans to consolidate work for efficiency or strategic reasons in a  
9 Company facility not covered by this Agreement, the Company will provide  
10 notice at least sixty (60) days prior to offloading the work then being  
11 performed by bargaining unit employees. The notice will include the reason  
12 for the planned subcontracting or offloading. The Company will provide the  
13 Union Site Representatives with the information used by the Company's  
14 Work Movement Groups to assess the relative costs of subcontracting,  
15 offloading, or performing the work in the bargaining unit. The Union will  
16 keep confidential, and not disclose, any information provided pursuant to  
17 this Section 21.7 which the Company designates as not subject to disclosure.

18 For subcontracting and offloading decisions affecting less than ten (10)  
19 employees (including but not limited to decisions to consolidate work for  
20 efficiency or strategic reasons in a Company facility not covered by this  
21 Agreement), the Company will provide notice to the Union Site  
22 Representatives of plans to subcontract or offload work then being  
23 performed by bargaining unit employees. The notice will include the reason  
24 for the planned subcontracting or offloading. The one hundred eighty (180)  
25 day or sixty (60) day notice restriction will not apply to subcontracting and  
26 offloading decisions affecting less than ten (10) employees. If time permits  
27 following the notice, Union Site Representatives may recommend  
28 subcontracting or offloading alternatives to such decisions (those affecting  
29 less than ten (10) employees) that are financially and strategically sound.

30 It is agreed that the Union Site Representatives' evaluation process is to be  
31 limited to those significant subcontracting or offloading decisions where  
32 cost is the determining factor. Consequently, the notice and review process  
33 does not cover the following work transfers:

- 34 a. Decisions made primarily for strategic considerations ("strategic  
35 work placement") such as decisions to place work with foreign  
36 suppliers (1) for purposes of forming or continuing key strategic  
37 alliances, (2) for gaining potential access to a key market, (3) for  
38 entering risk sharing arrangements, or (4) because of condition of sale  
39 placements;

1 b. Decisions arising from a merger, sale, transfer, or other disposition  
2 of a plant or facility or operating unit thereof;

3 c. Decisions to subcontract or offload work due to lack of capability  
4 or capacity, or to prevent production schedule slippage;

5 d. Decisions to temporarily onload work or to temporarily subcontract  
6 or offload work due to emergent short-term needs; or

7 In the event of a decision described in (a) through (d) above, the Company  
8 will notify the Union as soon as practical of the decision and the reasons for  
9 the decision. For tooling subcontracting or offloading decisions described  
10 in (a) through (d) above, the Company will provide Union Site  
11 Representatives with information concerning subcontracting or offloading  
12 activity on a monthly basis.

13 The Company's Work Movement Group will conduct a monthly review with  
14 the Union Site Representatives to discuss activities related to the  
15 Company/Union oversight process and to discuss opportunities to improve  
16 the process. Upon the Union's request, the Company will conduct a  
17 quarterly review to share the status of the previous quarter's activities.

18 Anything in this Section 21.7 to the contrary notwithstanding, it is agreed  
19 that under and included within the meaning of Article 2 of this Agreement  
20 that the Company has the right to subcontract and offload work, to make and  
21 carry out decisions in (a) through (d) above, to enter offsets and offset  
22 arrangements, and to designate the work to be performed by the Company  
23 and the places where it is to be performed, which rights shall not be subject  
24 to arbitration.

25 The parties recognize that the Company must compete in a highly  
26 competitive global economy, and commit to achieving the highest level of  
27 quality and productivity possible. Both parties recognize that ultimate job  
28 security can only be realized in a work environment that creates operational  
29 effectiveness, continuous improvement and competitiveness.

### 30 **Section 21.8 Pilot Projects.**

31 **21.8(a) Objective.** The Union and the Company agree that it is in their  
32 best interest to stimulate and support long-term, broad changes aimed  
33 at improving the quality of work life and productivity. This can be  
34 accomplished best by active involvement of the Union and the  
35 Company in planning, developing, implementing and evaluating  
36 innovative programs to further these aims. Accordingly, the parties  
37 shall:

- 1           1. Review and evaluate pilot projects involving innovative  
2           approaches in the workplace and provide for their  
3           implementation, operation and assessment;
- 4           2. Assure that pilot projects provide for employee and Union  
5           involvement through the establishment of joint pilot project  
6           committees to oversee project implementation, operation and  
7           assessment;
- 8           3. Review experiences of other employees and unions with  
9           similar activities and provide for dissemination of information;
- 10          4. Assess the impact on the pilot projects of existing work  
11          practices including, but not limited to, job security,  
12          compensation, job descriptions/classifications, training, and  
13          work schedules;
- 14          5. Following implementation and assessment of a pilot project,  
15          review the feasibility of broader application; and
- 16          6. Select consultants and other outside experts by mutual  
17          agreement.

18           **21.8(b) Implementation of Pilot Projects.** The Union and the  
19           Company shall meet and confer concerning implementation of any pilot  
20           projects including any necessary modifications to the Collective  
21           Bargaining Agreement. The details of any pilot project which is agreed  
22           to by the parties shall be set forth in writing between the parties in a  
23           Pilot Project Agreement and must be approved by the Directing  
24           Business Representative of the unit where the project is proposed. It is  
25           the intent of the parties that implementation of a pilot project will not  
26           directly result in the layoff of employees or the reduction of the pay of  
27           employees assigned to a pilot project and that the Company will pay for  
28           costs such as training. Neither the Union nor the Company is under any  
29           obligation to agree to the implementation of a pilot project.

30           **21.8(c) Review of Pilot Projects.** In addition to the on-going review  
31           by a pilot projects committee, the Union and the Company will review  
32           semi-annually the operation of all implemented pilot projects. While  
33           the parties anticipate that any implemented pilot project will continue  
34           throughout the duration of this Agreement, a pilot project may be  
35           terminated at any time by mutual agreement. In addition, it is agreed  
36           that following the first ninety (90) days of implementation of a project,  
37           either the Union or the Company may terminate a particular pilot project  
38           by giving written notice to the other, such notice to become effective on  
39           the sixtieth (60th) day thereafter.

1           **21.8(d) Disputes Concerning Pilot Projects.** No dispute concerning  
2 a pilot project or this Section 21.8 shall be subject to the grievance and  
3 arbitration procedure of Article 19 of this Agreement except for a  
4 dispute alleging a violation of a Pilot Project Agreement or the approval  
5 or termination of a pilot project.

6           **Section 21.9 Technology Briefings.**

7 In order that employees can better prepare themselves for the skill  
8 requirements of the future, and in fulfillment of its obligation to provide  
9 information to the Union, the Company will not less than each six (6) months  
10 provide a briefing to the Union of the Company's plans for the introduction  
11 of technological change which may affect employees. These briefings may  
12 be combined with briefings to the Hazard Communication Team under  
13 Section 16.2(e). The Union and its representatives will protect the  
14 confidentiality of Company sensitive and proprietary information disclosed  
15 in the briefings.

16 During these briefings, the Company will inform the Union of anticipated  
17 schedules of introduction of new technology, and will identify areas of skill  
18 impacts. In addition, when the Company intends to implement a  
19 technological improvement in its tools, methods, processes, equipment or  
20 materials which could have an impact on the work performed by bargaining  
21 unit employees, the Company will advise the Union of the nature and  
22 location of such technological changes and the extent to which they may  
23 affect the work performed by those employees.

24 The Company and the Union agree that this Section 21.9 fully sets forth the  
25 Company's obligation to provide information concerning new technology or  
26 any other introduction or technological improvement of new machines,  
27 tools, methods, processes, equipment and/or materials. If the Union requests  
28 other information related to these matters, the request will be treated as a  
29 request to add additional subjects to the briefings.

30           **Section 21.10 Agreements.**

31 Any written agreement between the parties (whether a Letter of  
32 Understanding, Memorandum of Understanding, or any other document)  
33 existing during the life of the predecessor Agreement without an expiration  
34 date shall continue in full force and effect for the duration of this Agreement,  
35 unless expressly modified. This Agreement controls in the event of any  
36 conflict between this Agreement and any prior written agreement.

**ARTICLE 22**  
**WORKFORCE ADMINISTRATION**

**Section 22.1 Definitions.**

The meanings of certain terms used in this Article 22 and elsewhere in this Agreement are stated below:

**22.1(a) Category A** - Refers to the rights of those qualified employees with seniority who have been affected by a surplus:

**22.1(a)(1)** who have worked under or been assigned to the open job title or higher classification thereof on other than a "temporary promotion" basis for ninety (90) or more calendar days within or immediately prior to the following time periods preceding the date of selection of an eligible individual to fill the open job title:

- A. for employees with five (5) or more years seniority, a eight (8)-year period;
- B. for employees with three (3) or more but less than five (5) years seniority, a five (5)-year period;
- C. for employees with less than three (3) years seniority, a three (3)-year period

**22.1(a)(2)** who have on file an effective application to the Personnel Section for the open job title; and

**22.1(a)(3)** who are on layoff or who are assigned to a lower labor grade than that of the open job title; and

**22.1(a)(4)** who have not resigned or been terminated for reasons other than layoff since holding the open job title or higher classification thereof; and

**22.1(a)(5)** who have not been demoted from the open job title at their request; and

**22.1(a)(6)** who have not been demoted or laid off because of not being suited for work in the open job title.

**NOTE:** Employees will, within thirty (30) days of the effective date of their layoff or downgrade, be notified of the job titles for which they may have Category A eligibility. Failure of the Company to provide such a notice shall not relieve the employee from his/her obligation to exercise whatever Category A rights he/she may have. In establishing Category A rights, qualified employees in Puget Sound who are on layoff may select the Puget Sound location(s) (Seattle, the

1 Developmental Center, Frederickson, Kent, Auburn, Renton or Everett)  
2 to which their Category A rights will apply. Qualified employees on  
3 the active payroll may select their desired shift, and Puget Sound  
4 employees may select their desired location and shift. Employees will  
5 only be considered to fill openings on the shift and/or at the location so  
6 designated.

7 **22.1(b) Category B** - Refers to those qualified employees:

8 **22.1(b)(1)** who are currently assigned to and have worked in the  
9 next lower step in the normal line of promotion for which the  
10 opening exists for the ninety (90) calendar days immediately  
11 preceding the selection of an eligible individual to fill the open job  
12 title, and

13 **22.1(b)(2)** who have on file an effective application to the  
14 personnel section for the open job title and designated shift; and

15 **22.1(b)(3)** who have not been demoted from the open job title at  
16 their request during the preceding ninety (90) days; and

17 **22.1(b)(4)** who have not been demoted because of not being suited  
18 for work in the open job title during the preceding twelve (12)  
19 months.

20 **22.1(c) Downgrade** - Refers to the reclassification of an employee to a  
21 lower labor grade.

22 **22.1(c)(1) Employee Requested Downgrade** - refers to a  
23 downgrade initiated by the employee. (An employee who  
24 expresses a desire for an employee-requested downgrade may have  
25 his/her steward or business representative present during any  
26 formal discussion of the proposed action.)

27 **22.1(d) Effective Application** - Refers to an application for work in an  
28 open job title by an employee at his/her assigned primary or remote  
29 location or by an employee on layoff at the primary or remote location  
30 from which he/she was most recently assigned. Such application shall  
31 become effective within five (5) workdays after it is received by  
32 Personnel Records. Category B applications will remain in effect until  
33 cancelled or changed at the employee's request, or until such time as the  
34 employee is reclassified to the job title, or the employee rejects an offer  
35 of a job for which he/she has filed or the employee is relocated to a  
36 different Primary Location covered by this Agreement, whichever  
37 occurs first. Category A applications will remain in effect for the  
38 duration of Category A eligibility unless cancelled or changed at the



1 employee's request, or until such time as the employee is returned from  
2 layoff, or the employee is reclassified to the job title, or the employee is  
3 extended an offer, or rejects an offer of a job for which he/she has filed  
4 or the employee is relocated to a different primary location covered by  
5 this Agreement, whichever occurs first. An employee who rejects a job  
6 offer for which he/she has downgrade rights and elects layoff may not  
7 file a Category A application, to the job offered and rejected. If such  
8 rejection of job offer does not result in layoff, there will be no  
9 requirement that he/she again be considered for that job title unless the  
10 employee refiles an application at any time ninety (90) or more calendar  
11 days after he/she declines the job offer.

12 **NOTE:** In establishing Category B rights, qualified employees in the  
13 Puget Sound area shall select the Puget Sound location(s) (Seattle, the  
14 Developmental Center, Frederickson, Kent, Auburn, Renton or  
15 Everett), and the shift to which their Category B rights will apply.

16 **22.1(e) Emergency Classification** - Refers to the temporary  
17 reclassification of an employee when the Company finds it necessary to  
18 assign a higher-graded employee to perform lower-graded work.  
19 Subject to the provisions of Section 22.6(b), such employees shall gain  
20 downgrade rights. In each instance the employee will be notified at time  
21 of assignment and the Union notified and the employee reclassified  
22 when the assignment exceeds thirty (30) calendar days. The Company  
23 shall provide the Union with an updated list of employees who are  
24 emergency classified on a monthly basis.

25 **22.1(f) Job Title or Job** - Refers to, as a composite unit, The Boeing  
26 Company title, number, and description of the job.

27 **22.1(g) Job Family** - Refers to two (2) or more jobs having the same  
28 job title number, except for that part of the job title number that  
29 identifies the labor grade level of the job.

30 **22.1(h) Lateral Reclassification** - Refers to the reclassification of an  
31 employee from one job title to another job title in the same labor grade.

32 **22.1(i) Lateral Transfer** - Refers to the transfer of an employee from  
33 one organization to another without change of job title.

34 **22.1(j) Normal Line of Promotion** - Refers to the channel of  
35 promotion established by the Company from one job title to another,  
36 within the same job family. A complete initialed and dated list of job  
37 titles as of the effective date of this Agreement has been furnished to  
38 the Union, and the Company has retained a copy of such initialed and

1 dated list. The channels of promotion as established by the Company  
2 are in accordance with such list.

3 **22.1(k) Normal Line of Promotion Designated Candidates** - Refers  
4 to a less senior employee selected to fill a normal line of promotion  
5 opening. Normal line of promotion designated candidates will be  
6 limited to 0.75 percent of the bargaining unit headcount at Puget Sound,  
7 Wichita and Portland, determined separately on January 1 and July 1 of  
8 each year for use during the succeeding six (6)-month period. The  
9 promotion of designated candidates is not subject to the grievance and  
10 arbitration procedure.

11 **22.1(l) Open Job Title** - Refers to a job title in which the Company  
12 determines, subject to Section 22.7, that additional employees are  
13 needed in excess of those assigned to such job title:

14 **22.1(l)(i)** by returning employees from leave of absence; or

15 **22.1(l)(ii)** by reclassifying apprentices; or

16 **22.1(l)(iii)** by lateral transfer; or

17 **22.1(l)(iv)** by lateral reclassification; or

18 **22.1(l)(v)** by transferring employees involving lateral  
19 reclassifications; or

20 **22.1(l)(vi)** by downgrading or demoting employees on the active  
21 payroll; or

22 **22.1(l)(vii)** by temporary promotion; or

23 **22.1(l)(viii)** by transferring employees from one Primary Location  
24 or Remote Location to another Primary Location or Remote  
25 Location; or

26 **22.1(l)(ix)** by returning employees to the bargaining unit from  
27 non-supervisory positions outside the bargaining unit; or

28 **22.1(l)(x)** by emergency classification; or

29 **22.1(l)(xi)** by returning employees from disability retirement or  
30 who have been demoted or laid off due to the employee's medical  
31 recommendation.

32 The Company may make such assignments, transfers, changes,  
33 downgradings and demotions, and temporary promotions, without  
34 restriction except with regard to certain Category A employees as

1 provided in Section 22.7 and except as otherwise hereinafter provided  
2 in this Article 22.

3 **22.1(m) Opening** - Refers to a single unfilled job in an "open job title"  
4 and the opening shall be deemed to be closed at the time the Personnel  
5 Section designates the eligible individual or employee entitled to  
6 consideration for the job.

7 **22.1(n) Organization** - Refers to an alpha/numerically identified  
8 segment of the Company.

9 **22.1(o) Promotion** - Refers to the action of the Company in moving an  
10 employee from his/her current labor grade to a higher labor grade.

11 **22.1(p) Surplus** - Refers to an action involving reduction in force  
12 within a job title which action results in a layoff, downgrade or lateral  
13 of affected employees.

14 **22.1(q) Temporary Promotion** - Refers to a promotion remaining in  
15 effect for a period of not more than thirty (30) consecutive calendar  
16 days, or for ninety (90) consecutive calendar days if the promotion is a  
17 direct replacement for an employee on medical leave of absence, travel  
18 assignment, or temporary supervisory assignment, or for such longer  
19 period as may be designated by mutual agreement between the  
20 Company and the Union. The Union Business Representative shall be  
21 provided with notification of temporary promotions that are estimated  
22 to be in effect for thirty (30) or more calendar days prior to or coincident  
23 with the effective date of such promotions. The foregoing time period  
24 limitation will not apply in instances where an employee is on travel  
25 assignment. Repetitive temporary promotions shall not be used to fill a  
26 permanent job opening.

27 Bargaining unit employees promoted to a temporary supervisory  
28 assignment shall not participate in any meeting where employee  
29 corrective action is issued or issue any employee corrective action.

30 **22.1(r) Employee Requested Transfer (ERT) System** - A system  
31 which allows Company employees to be considered for open job titles  
32 and lateral transfers within the bargaining unit. A pool of candidates  
33 will be established through application of minimum criteria developed  
34 by the Company and administered through the IAM/Boeing Joint  
35 Programs.

36 **NOTE:** In the event an employee declines to accept an offer for a job  
37 for which he/she has filed an effective application, there will be no  
38 requirement that he/she again be considered for that job unless the

1 employee refiles an application at any time ninety (90) or more calendar  
2 days after he/she declines the offer.

3 **Section 22.2 Surplusing Procedures - "Retentions" - Definition.**

4 The surplusing procedures later specified in this Article 22 make various  
5 references to the use by the Company of "retentions." A "retention" is the  
6 retaining, in a job title in which a surplus has been declared by the Company,  
7 of an individual whose seniority position would have caused him/her to have  
8 been surplusd while some other employee or employees with greater  
9 seniority are surplusd. In each instance the retained employee will be  
10 designated, at the time the retention is used, to be retained in the job title  
11 rather than to have him/her affected by the surplus action. The retained  
12 employee shall be notified of his/her retention status and shall retain that  
13 status for the remainder of the six (6)-month period in which he/she is so  
14 designated unless such designation, within such period, is cancelled or is  
15 reassigned by the Company to a more senior employee in the same job title.  
16 Also, prior to the time that any further surplus is declared in such job title,  
17 and whether within such six (6)-month period or thereafter, the retainee (or,  
18 after such six (6)-month period, the previous retainee) may be replaced in  
19 the job title by a more senior employee concurrent with the latter's  
20 downgrade to the job title. If such replacement occurs within the six (6)-  
21 month period, the Company shall be required to transfer such retention status  
22 to the downgraded senior employee. In instances where the replaced  
23 employee is not a current retainee, the most junior employee will be  
24 replaced. The Union will be notified of retention usage and may appeal to  
25 the site senior Human Resources representative or designee any perceived  
26 misapplications of this retention procedure. The site senior Human  
27 Resources representative or designee will have thirty (30) days to review the  
28 facts and correct any misapplications of this procedure.

29 **Section 22.3 Surplusing Procedures - Number of Retentions Allowable.**

30 **22.3(a) Periods Used for Making Computations.** For purposes of  
31 determining the allowable number of retentions and using and applying  
32 such retentions, calendar six (6)-month periods shall be used, the first  
33 period in each year to be from January 1 to June 30, inclusive, and the  
34 second period to be from July 1 to December 31, inclusive.

35 **22.3(b) Allowable Number – By Location.** For each such period the  
36 number of allowable retentions shall be determined separately for each  
37 of the following "locations": Puget Sound; Wichita; and Portland. At  
38 each such location, the number of allowable retentions for the  
39 applicable six (6)-month period will be four and one-half (4.5) percent  
40 of the bargaining unit head count at the beginning of the period.

1           **22.3(c) Allowable Usage.** At each location the use of the number of  
2 allowable retentions for the applicable six (6)-month period shall be in  
3 accordance with the following:

4           **22.3(c)(1)** Three (3) levels of seniority will be identified: (a) zero  
5 (0) years through nine (9) years, (b) ten (10) years through fourteen  
6 (14) years and (c) fifteen (15) years or more. The total retentions  
7 in all three (3) levels shall not exceed four and one-half (4.5)  
8 percent, subject to Subparagraph 22.3(c)(3).

9           **22.3(c)(2)** Retentions shall apply only as against another employee  
10 in the same seniority level, subject to Subparagraph 22.3(c)(3).

11           **22.3(c)(3)** An additional one (1) percent number of retentions (one  
12 (1) percent in addition to the four and one-half (4.5) percent  
13 allowed by Section 22.3(b)) may be used in each such six (6)-month  
14 period at each such location only to retain (a) an employee in Labor  
15 Grade 5 or above as against another employee who is in a higher  
16 seniority level; or (b) an employee assigned to a program having  
17 restricted access limitations.

18           **22.3(c)(4)** Retentions described in Subparagraph 22.3(c)(3) will be  
19 accounted for separately and the Union will be advised of the  
20 reason the retention has been designated.

21           **22.3(d) Computations – Fractional Results.** In applying the  
22 percentages and making the computations under this Section 22.3, the  
23 number of allowable retainees shall be computed to the nearest whole  
24 number and a fraction of one-half (1/2) or more shall be treated as one  
25 (1).

26           **Section 22.4 Surplusing Procedures - Use of Allowable Retentions Not**  
27           **Subject to Challenge.**

28           The Company's use of retentions in the number allowed under Section 22.3,  
29 or the surpluses resulting from the application and use of such retentions,  
30 shall not be subject to challenge or to grievance procedure.

31           **Section 22.5 Surplusing Procedures – Order of Surplusing.**

32           In the event that the Company determines that there is an excess of  
33 employees in a job title at a particular Company location, the order of surplus  
34 of such excess will, subject to the use of retentions as defined in Sections  
35 22.2 and 22.3, be in reverse seniority order in such job title at the primary or  
36 remote location where the surplus has been declared.

1 **Section 22.6 Surplusing Procedures – Rights as to Downgrade.**

2 Each employee upon being subject to surplusing action will have the right  
3 to be downgraded to the highest of the following:

4 **22.6(a)** To a lower job title which is not lower than the next lower job  
5 title in his/her job family or previously held job families or,

6 **22.6(b)** To the highest-graded job title, including emergency  
7 classification, held for ninety (90) or more consecutive calendar days  
8 during the preceding eight (8)-year period.

9 The foregoing will apply providing work is being performed in such  
10 lower job title applicable to Section 22.6(a) above or in the job title  
11 applicable to Section 22.6(b) above and providing further that his/her  
12 seniority entitles him/her to such placement when compared with the  
13 seniority of employees (other than retainees or stewards) in such job  
14 titles or of those employees who are Category A candidates for such job  
15 titles. If such an employee rejects a job offer for which he/she has  
16 downgrade rights and prefers layoff, he/she can so elect but he/she  
17 relinquishes Category A rights, to the job offered and rejected. When  
18 there is no such lower job title or where his/her seniority at the time does  
19 not entitle him/her to placement referred to in Section 22.6(a) or Section  
20 22.6(b) above, he/she may be downgraded to any offered job title he/she  
21 will accept, or laid off. Reclassifications involving employees and the  
22 rights of such employees in connection with surplusing procedures will  
23 be subject to the Category A rights of others to the extent provided in  
24 Section 22.7.

25 **NOTE:** The provisions of Section 22.6(a) and Section 22.6(b) will not  
26 apply in instances where following appropriate review, an employee  
27 was removed from his/her previous job title due to medical limitations,  
28 lack of qualifications or an employee requested downgrade.

29 **Section 22.7 Surplusing Procedures – Preferential Rights as to**  
30 **Certain Category A Employees.**

31 Employees in Category A with one (1) or more years of seniority at the time  
32 of surplus from a job title, and who have held the job title (or higher  
33 classification thereof) at the primary location where the transaction occurs,  
34 will, for the first three (3) years of their Category A status, have the  
35 preferential right to fill openings in such job title (or lower grade in the same  
36 job family) as against all other individuals, except as to the following:

37 **22.7(a)** Senior employees moved into the job title, whether by lateral  
38 reclassification, downgrade or emergency classification.

1       **22.7(b)** Junior employees moved into the job title on a temporary basis  
2 by lateral assignment, reclassification or downgrade for not to exceed  
3 thirty (30) calendar days, or for ninety (90) calendar days when agreed  
4 upon by the Company and the Union, if requested by the Company for  
5 conditions such as surplus mitigation and maintaining production  
6 health, but not for the purpose of filling open requirements. Agreement  
7 will not be unreasonably withheld. This thirty (30)-day period relating  
8 to each individual assignment on a temporary basis cannot be extended  
9 by the assignment of another employee to the job title on a temporary  
10 basis. The Union will be notified of each such assignment or  
11 reclassification.

12       **22.7(c)** Employees, whether senior or junior, assigned to the job title  
13 from another Primary Location on a temporary basis for not to exceed  
14 thirty (30) calendar days unless mutually extended by the parties.

15       **22.7(d)** Junior employees who are assigned to emergency classification  
16 to a different occupation or job family for not to exceed sixty (60)  
17 calendar days, or for ninety (90) calendar days when agreed upon by the  
18 Company and the Union, if requested by the Company for conditions  
19 such as surplus mitigation and maintaining production health, but not  
20 for the purpose of filling open requirements. Agreement will not be  
21 unreasonably withheld.

22       **22.7(e)** For those openings in Labor Grade 4 and above only, junior  
23 employees in the same occupation or job family moved into the job title  
24 by downgrade, if at the time of filling the opening, the Category A  
25 employee has been surplus from the job title for more than thirty (30)  
26 calendar days.

27       **22.7(f)** Employees, senior due to the accumulation of bargaining unit  
28 seniority, returning to the bargaining unit from a supervisory or non-  
29 supervisory position.

30       **22.7(g)** Employees in Aircraft On Ground (AOG) assignments such as  
31 Aviation Maintenance Technician and Inspector-AOG, whether junior  
32 or senior, who are assigned to any other job title on a temporary basis  
33 for a period of time less than ninety (90) days. Assignments shall not  
34 be used for the purpose of filling open requirements.

35       **Section 22.8 Surplus Procedures – Temporary Layoffs.**

36       Anything to the contrary in this Agreement notwithstanding, when the  
37 Company determines it is necessary to reduce the number of employees  
38 working within a job title at a particular location, any employees in the  
39 organizations considered by the Company to have an excess number of

1 employees, who are within such job title, may be temporarily laid off for not  
2 more than fourteen (14) calendar days, with or without application of the  
3 procedures stated in this Agreement during such period of temporary layoff.  
4 The Company agrees that the Union will be notified whenever possible in  
5 advance, and will seek volunteers for temporary layoff first.

6 **Section 22.9 Recall Procedures – Order of Recall of Category A**  
7 **Employees from Downgrade or Layoff.**

8 The order of selection of individuals for assignment from Category A shall  
9 be from those who on the date of their layoff or downgrade were Category  
10 A candidates for the open job title strictly on the basis of seniority.

11 **Section 22.10 Rules Relating to Lateral Transfers and**  
12 **Reclassifications.**

13 Such transfers and reclassifications shall be in accordance with the following  
14 rules:

15 **22.10(a)** The Company may make lateral transfers (no change in job  
16 title) from one organization to another without limitation, subject only  
17 to the limitations of Section 22.7 of this Article 22 relating to  
18 preferential rights as to certain Category A employees. For lateral  
19 transfers between sites the Company shall first exhaust eligible  
20 Category E location change ERTs.

21 **22.10(b)** The Company may make lateral reclassifications from one job  
22 title to another, or may make downgrades from one job title to another,  
23 subject only to the limitations of Section 22.7 of this Article 22 relating  
24 to preferential rights as to certain Category A employees.

25 **22.10(c)** An employee who has been reclassified to the job title within  
26 the preceding eight (8)-year period shall, in the event of surplus action  
27 affecting him/her, be afforded the right to return to one of the other job  
28 titles in a job family in which he/she has worked during the eight (8)-  
29 year period described above, providing he/she worked in that job title  
30 or family for ninety (90) or more consecutive calendar days within or  
31 immediately prior to such eight (8)-year period, and has greater  
32 seniority than another employee (not a retaineer or steward) in that job  
33 title. Reclassifications involving employees and the rights of such  
34 employees in connection with surplus procedures will be subject to  
35 the Category A rights of others to the extent provided in Section 22.7.  
36 An employee who rejects such an offer shall have the right, upon their  
37 request, to be reclassified to a job title to which the employee has  
38 established downgrade surplus rights described in Section 22.6. Such  
39 employee shall be considered an employee accepting a downgrade and  
40 shall be eligible for the provisions of Article 6, Section 6.3(d) – Rate



1 Retention and this Article 22. Such employee will not be eligible to file  
2 an effective application for Category A for the rejected job.

3 **22.10(d)** Any employee who is laterally reclassified by the Company  
4 and is within the following ninety (90) days found by the Company  
5 unqualified (for reasons other than not being "physically qualified"), to  
6 perform his/her new assignment shall be (1) assigned to other work in  
7 the same labor grade or (2) given the opportunity of returning to his/her  
8 former job title, providing, as to (2), that he/she worked in the former  
9 job title for thirty (30) consecutive days or more within the year  
10 preceding the reclassification to the new job and his/her seniority will  
11 support his/her return to the former job title. In the event an employee  
12 is holding a higher graded job classification but is no longer assigned to  
13 work as a lead (as defined by the Rules Governing the Application of  
14 Job Descriptions), he/she shall be given the same consideration for  
15 lateral transfers accorded to employees in the lower graded job  
16 classification of the work being performed.

17 **NOTE:** The foregoing paragraphs Section 22.10(c) and Section  
18 22.10(d) will not apply in instances where, following appropriate  
19 review, an employee was removed from his/her previous job title due to  
20 medical limitations or lack of qualifications.

21 **Section 22.11 Promotional Procedures<sup>1</sup> - Order of Filling Openings.**

22 Selection of employees or individuals for assignment to an open job title  
23 shall be made in the following order (except that employees on leaves of  
24 absence in excess of thirty (30) days need not be considered for promotion  
25 during such leave):

26 **22.11(a)** Those identified through the Category E Location Change  
27 ERT System; then

28 **22.11(b)** Those employees in Category A (in relation to the open job  
29 title), in accordance with Section 22.9; then

30 **22.11(c)** Those qualified Category B Employees in seniority order,  
31 subject to the provisions of Section 22.1(k); then

32 **22.11(d)** Those identified through the Category C ERT System; then

33 **22.11(e)** Those from any other sources, in any order.

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<sup>1</sup>See note to Section 22.1(a) and Section 22.1(d), regarding the definition of "effective application" as applied to promotional procedures.

1 Employees are considered releasable for an ERT after they have held their  
2 present job for twelve (12) months, including any time prior to layoff and  
3 after recall. Exceptions may be made when deemed to be in the best interests  
4 of the employee and the Company. Employees newly hired on or after  
5 September 13, 2024, are considered releasable for an ERT after they have  
6 completed eighteen (18) months in the position they were hired into. Once  
7 the eighteen (18) months have been satisfied, these employees are  
8 considered releasable for an ERT as all other employees stated above.  
9 Employees are considered immediately releasable for an employee  
10 requested Category C or E ERT following any Company directed location  
11 change or lateral reclassification.

12 The foregoing procedure, Section 22.11(c), shall apply unless such an  
13 employee is considered to be unsuitable because of physical limitations or  
14 because the employee does not possess the required program access  
15 credentials. Where such employees are considered to be unqualified, a  
16 memorandum will be prepared setting forth the reason the employee is  
17 unqualified. Two (2) copies of such memorandum will be sent to the site  
18 senior Human Resources representative or designee, for transmittal to the  
19 Personnel Section. One copy will be filed in the employee's folder. Where  
20 an employee is considered to be unqualified for promotion, he/she shall be  
21 so notified in writing and shall be considered for promotions to subsequent  
22 openings under the same procedures when the factors which caused him/her  
23 to be considered as unqualified no longer exist or have no bearing on the  
24 subsequent openings.

## 25 **Section 22.12 Promotional Procedures - Graduate Apprentices.**

26 **22.12(a)** Employees, who successfully complete the requirements of  
27 graduation from the Joint Apprenticeship Program, shall be  
28 immediately promoted to the designated target job title of such program,  
29 or in the case of the Machinist Joint Apprenticeship Program or the  
30 Cellular Manufacturing Machinist Joint Apprenticeship Program, to  
31 one of the designated target job titles, subject only to the following:

32 **22.12(a)(1)** Graduate Apprentices, upon graduation from the Joint  
33 Apprenticeship Program, shall be deemed to have met the  
34 qualifications of Section 22.6 and Section 22.10 for establishing  
35 downgrade or lateral reclassification rights to the designated target  
36 job title provided they are otherwise qualified.

37 **22.12(a)(2)** Graduate Apprentices assigned a target job title, who  
38 are subject to surplus prior to the completion of thirty (30) days in  
39 such job title shall be deemed to have met the qualifications of

1 Subparagraph 22.1(a)(1) and shall be considered as Category A for  
2 return to such job title provided they are otherwise qualified.

3 **22.12(a)(3)** Graduate Apprentices not assigned to a target job title  
4 upon graduation from the Joint Apprenticeship Program, who are  
5 limited due to the provisions specified in Section 22.7 of this  
6 Article 22 relating to preferential rights of certain Category A  
7 employees shall be deemed to have met the qualifications of  
8 Subparagraph 22.1(a)(1) and shall be considered as Category A for  
9 return to such job title provided they are otherwise qualified.

10 **22.12(a)(4)** Graduate Apprentices assigned to a higher-graded job  
11 than the target job title upon graduation from the Joint  
12 Apprenticeship Program shall be deemed to have met the  
13 qualifications of Section 22.1, Section 22.6, and Section 22.10 for  
14 establishing Category A, downgrade, or lateral reclassification  
15 rights for the target job title provided they are otherwise qualified.

16 **22.12(a)(5)** Graduate Apprentices who are assigned to the target  
17 job and are subsequently promoted to a higher-graded job than the  
18 target job title prior to the completion of the established time  
19 periods as described in the respective sections of Article 22 shall  
20 be deemed to have met the qualifications of Section 22.1, Section  
21 22.6, and Section 22.10 for establishing Category A, downgrade,  
22 or lateral reclassification rights for the target job title provided they  
23 are otherwise qualified.

24 **22.12(a)(6)** Graduate Apprentices not assigned to the target job  
25 title upon graduation from the Machinist Joint Apprentice Program  
26 or the Cellular Manufacturing Machinist Joint Apprenticeship  
27 Program, who are limited due to the provisions specified in Section  
28 22.7 of this Article 22 relating to preferential rights of certain  
29 Category A employees or who have been assigned to a higher-  
30 graded job than the target job title shall be designated one of the  
31 target job titles by the site senior Human Resources representative  
32 or designee to one of the Machinist target jobs for the Machinist  
33 Graduate or one of the Cellular Manufacturing Machinist target  
34 jobs for the Cellular Manufacturing Machinist Graduate and shall  
35 be deemed to have met the qualifications of Subparagraph  
36 22.1(a)(1) and shall be considered as Category A for return to such  
37 job title provided they are otherwise qualified.

38 **NOTE:** Entry into the Apprenticeship Program will be considered a  
39 promotion for the purpose of establishing rights under the terms of  
40 Article 22. Apprentices will also be ineligible for any Category A,

lateral reclassifications or downgrade rights they may qualify for under the terms of the Collective Bargaining Agreement until graduation or removal from the program.

**22.12(b) Target Job Titles.**

**22.12(b)(1)** Target job titles of the Joint Apprenticeship Program for Jig and Fixture Tool Maker, Maintenance Machinist, Model Maker, Tool and Die Maker, Tool and Cutter Grinder, N/C Spar Mill Operator, Industrial Electronic Maintenance Technician, Machine Tool Maintenance Mechanic, Composite Manufacturing Technician, Blue Streak Mechanic, Metal Structures Technician, N/C Skin Mill Operator, Facilities Crane Maintenance Mechanic, Aviation Maintenance Technician, and Tooling Inspector are as follows:

<b>Apprentice Job No.</b>	<b>Apprentice Job Title</b>	<b>Target Job No.</b>	<b>Target Job Title</b>
A12XX	Apprentice Jig & Fixture Tool Maker	75508	Tool Maker B
A14XX	Apprentice Maintenance Machinist	89709	Maintenance Machinist A
A15XX	Apprentice Model Maker	03609	Model Maker B
A18XX	Apprentice Tool and Die Maker	76010	Tool and Die/Deep Draw
A19XX	Apprentice Tool and Cutter Grinder	40708	Tool Grinder/ Induction Heater A
A20XX	Apprentice N/C Spar Mill Operator	17908	Spar Mill Operator A N/C
A21XX	Apprentice Tooling Inspector	54808	Inspector Tooling and Machined Parts B
A22XX	Apprentice Machine Tool Maintenance Mechanic	89509	Machine Repair Mechanic A
A23XX	Apprentice Electronic Maintenance Technician	87110	Electronic Technician Infrastructure Maintenance

<b>Apprentice Job No.</b>	<b>Apprentice Job Title</b>	<b>Target Job No.</b>	<b>Target Job Title</b>
A23XX	Apprentice Electronic Maintenance Technician	87210	Electronic Technician Precision Machine Tool Maintenance
A23XX	Apprentice Electronic Maintenance Tech	87510	Electronic Maintenance Technician
A26XX	Apprentice Composite Manufacturing Technician	74808	Composite Manufacturing Technician
A27XX	Apprentice Blue Streak Mechanic	14308	Blue Streak Mechanic
A28XX	Apprentice Metal Structures Technician	17208	Metal Structures Technician
A29XX	Apprentice N/C Skin Mill Operator	17709	N/C Skin Mill Operator
A30XX	Apprentice Facilities Crane Maintenance Mechanic	81409	Crane Maintenance Mechanic A
A31XX	Apprentice Aviation Maintenance Technician	97110	Aviation Maintenance Technician and Inspector-Field
A31XX	Apprentice Aviation Maintenance Technician	C2710	Aviation Maintenance Technician and Inspector – Flight Test
A31XX	Apprentice Aviation Maintenance Technician	92310	Aviation Maintenance Technician and Inspector - AOG

1  
2

**22.12(b)(2)** Target job titles of the Joint Apprenticeship Program for Machinists are as follows:

<b>Apprentice Job No.</b>	<b>Apprentice Job Title</b>	<b>Target Job No.</b>	<b>Target Job Title</b>
A13XX	Apprentice Machinist	70208	Grinder Operator A
A13XX	Apprentice Machinist	17408	Lathe Operator

Apprentice Job No.	Apprentice Job Title	Target Job No.	Target Job Title
A13XX	Apprentice Machinist	70808	Milling Machine Operator A
A13XX	Apprentice Machinist	C4608	N/C Multi Tool and Milling Machine Operator
A13XX	Apprentice Machinist	71808	Gear Cell Machinist
A13XX	Apprentice Machinist	71908	Gear Cutting Machine Operator A
A13XX	Apprentice Machinist	C4808	Milling Machine Operator - General

1                   **22.12(b)(3)** Target job titles of the Joint Apprenticeship Program  
2                   for Cellular Manufacturing Machinists are as follows:

Apprentice Job No.	Apprentice Job Title	Target Job No.	Target Job Title
A24XX	Apprentice Cellular Manufacturing Machinist	N0309	General Machinist
A24XX	Apprentice Cellular Manufacturing Machinist	73809	Flexible Machining System (FMS) Operator
A24XX	Apprentice Cellular Manufacturing Machinist	C3809	Machinist Assembler Precision

3                   **Section 22.13 Promotional Procedures – Effect of Refusing Promotion.**

4                   In the event an employee declines to accept a normal line promotion for a  
5                   location and shift for which he/she has filed an effective application, there  
6                   will be no requirement that he/she again be considered for that particular  
7                   location and shift unless the employee refiles an application at any time  
8                   ninety (90) or more calendar days after he/she declines the promotion.

9                   **Section 22.14 Review of Selection of Designated Candidates.**

10                  A procedure for reviewing the promotion of a designated candidate is  
11                  provided in Section 22.15 and the application of such procedure and the right  
12                  to invoke it are subject to the following rules:

13                  **22.14(a)** A "request for review" is a claim that a senior Category B  
14                  employee should have been promoted instead of a designated candidate.

1           **22.14(b)** In the case of a request for review:

2           **22.14(b)(1)** The request for review shall be limited to the claim  
3           that the one making the request (the senior employee) has been  
4           aggrieved by the promotion of a designated candidate to the next  
5           higher step in the senior employee's normal line of promotion.

6           **22.14(b)(2)** The request for review must be filed within seven (7)  
7           workdays after the promotion is published in an appropriate posting  
8           area.

9           **22.14(b)(3)** The senior employee must be an employee who is  
10          claiming that he/she should have received the particular promotion,  
11          rather than the designated candidate and the sole objective of the  
12          request shall be to establish that he/she is qualified for the  
13          promotion.

14          **22.14(b)(4)** The senior employee must have been on his/her  
15          present job for a period of not less than six (6) months immediately  
16          prior to the request. Such an employee who goes on the inactive  
17          payroll or on layoff shall become eligible to file a request for review  
18          upon his/her return to the active payroll provided he/she meets the  
19          other qualifications.

20          **22.14(b)(5)** Where more than one (1) request is addressed to or  
21          based on the same promotion of a designated candidate, in  
22          accordance with Subparagraph 22.14(b)(1), above, only one (1)  
23          request will be permitted and that request will be on behalf of the  
24          most senior employee among those filing such a request. The other  
25          requests shall be deemed withdrawn.

26          **22.14(b)(6)** An applicant to an opening which opening is away  
27          from his/her Primary or Remote Location is not eligible to file a  
28          request for review.

29          **Section 22.15 Rules for Resolving Requests for Reviews.**

30          Requests for reviews that meet the requirements of Section 22.14 will be  
31          subject to the following rules and review procedures:

32          **22.15(a)** A request for review may be submitted to the Union Relations  
33          Office, or a representative thereof, either by the employee or by a  
34          business representative on the employee's behalf.

35          **22.15(b)** The request must be in writing and contain the employee's  
36          name, current organization and identification number; the pertinent  
37          facts relating to the promotion in question; and a statement of the  
38          reasons and facts which show that the senior employee is qualified.

1           **22.15(c)** The Union shall make a thorough investigation of the grounds  
2 for the request for review in order to determine whether, in the Union's  
3 view, there is adequate and reasonable basis for proceeding with the  
4 requested review.

5           **22.15(d)** If, after such investigation, the Union determines the request  
6 to be one warranting further processing, and if no agreement can be  
7 reached between the Company and the Union as to a disposition of the  
8 matter prior to submitting it to the Review Board, then the matter shall  
9 be referred to the Review Board not later than ten (10) workdays after  
10 the filing of the request for review.

11           **22.15(e)** There shall be a Review Board or Review Boards to hear and  
12 determine requests for review at various Company locations. At  
13 Primary Locations, the Review Board(s) will meet at least once a  
14 month; a Review Board at a Remote Location will meet as necessary,  
15 but no later than thirty (30) days after a request for review is filed.

16           **22.15(f)** Each Review Board shall consist of three (3) members: one  
17 (1) appointed by the Union, one (1) appointed by the Company, and a  
18 chairperson whose selection shall alternate between the Union and the  
19 Company for each review.

20           **22.15(g)** The Board members shall be familiar with the types of work  
21 involved, but to the extent practicable, such Board members shall be  
22 from a different work area or organization. Neither the selecting  
23 supervisor nor the senior employee shall be members of the Review  
24 Board hearing his/her case, but they may be required to give testimony.

25           **22.15(h)** The Union Relations Office, or a representative thereof, shall  
26 establish the time and location of meetings of the Review Board and  
27 shall notify the Union of such schedule at least five (5) workdays in  
28 advance. At least twenty-four (24) hours before the meeting, the  
29 Review Board will be given the request for review, the work history and  
30 training records and employment application of the senior employee,  
31 and other information pertinent to the selection. The senior employee  
32 shall be notified of the meeting, and he/she may attend and testify, or  
33 submit additional written information, if he/she wishes to.

34           **22.15(i)** Each meeting of a Review Board shall be held during working  
35 hours. The Company will pay the wages of its committee member, the  
36 senior employee whose case is being reviewed, and the wages of the  
37 Union-appointed member of the Board if he/she is an employee on the  
38 active payroll. However, such Union-appointed member will only  
39 receive such wages while serving on his/her assigned shift.



1       **22.15(j)** The decisions rendered by each Review Board shall be based  
2 exclusively on evidence, testimony and information submitted to the  
3 Board prior to and at the meeting, and the burden of proof shall be upon  
4 the senior employee to establish that he/she is qualified.

5       **22.15(k)** The Company and the Union will cooperate in instructing  
6 Board members to deal with each request for review fairly and  
7 objectively, and without Company or Union bias.

8       **22.15(l)** At the conclusion of the meeting, each member of the Board  
9 must cast a vote by secret ballot. No ballot shall be signed or otherwise  
10 identifiable.

11       **22.15(m)** In the event the Board sustains a request for review, the  
12 senior employee will be promoted within five (5) workdays or when  
13 he/she is assigned to the higher labor grade, whichever occurs first.

14       **22.15(n)** The Company may continue to effect any adjustments in  
15 personnel irrespective of pending requests for review.

16       **22.15(o)** Processing of a request for review pursuant to and in  
17 accordance with Section 22.14 and this Section 22.15 shall be final and  
18 binding and neither the request nor the promotion to which it relates  
19 shall be subject to any other or further grievance procedure or challenge.

20       **Section 22.16 Special Provisions in Regard to Remote Locations.**

21       The terms, conditions and limitations of this Article 22 shall apply to  
22 employees permanently assigned to any Remote Location except that:

23       **22.16(a)** Transfers to and from such Remote Locations shall be on a  
24 voluntary basis to the job offered to the employee in either instance.

25       **22.16(b)** There shall be no requirement that Primary Location  
26 employees be transferred, promoted, demoted or recalled from layoff to  
27 a Remote Location or that Remote Location employees be transferred,  
28 promoted, demoted or recalled from layoff to a Primary Location or to  
29 another Remote Location, except as noted in Section 22.16(c), below.  
30 However, such employees may make application for consideration at  
31 other than their assigned location.

32       **22.16(c)** If it becomes necessary to reduce the number of employees  
33 working within job titles to which employees at a Remote Location are  
34 assigned, the following shall apply:

35               **22.16(c)(1)** Reduction in the work force at a Primary Location may  
36 be made without affecting employees assigned to any Remote  
37 Location.

1           **22.16(c)(2)** Reductions in work force may be made at a particular  
2 Remote Location without affecting employees working at a  
3 Primary Location or any other Remote Location.

4           **22.16(c)(3)** An employee who is transferred to a Remote Location  
5 from a Primary Location, and is subsequently subject, as a result of  
6 surplus, to a layoff or downgrading, to a labor grade lower than that  
7 labor grade to which he/she was assigned at the Primary Location  
8 immediately prior to the transfer, may (subject to the Category A  
9 rights of others to the extent provided in Section 22.7) elect to  
10 return to the Primary Location to the labor grade to which he/she  
11 was assigned immediately prior to the transfer.

12 **Section 22.17 Special Provisions in Regard to Employees on Travel**  
13 **Assignments.**

14 The terms and limitations of this Article 22 shall apply to employees who  
15 are being compensated for living or travel expense as provided in Article 12  
16 of this Agreement or those employees who are specifically assigned to an  
17 organization preparatory for such assignment or otherwise designated for  
18 such assignment, except that:

19           **22.17(a)** There shall be no requirement that other employees be  
20 transferred, promoted, demoted or recalled from layoff to fill job  
21 openings occurring in such special assignment, or that employees on  
22 such assignments be transferred, promoted or demoted as a result of job  
23 openings or surplus in other locations except as noted in Section  
24 22.17(b) below. However, such employees may make application for  
25 consideration at other than their assigned location.

26           **22.17(b)** Where an employee is on a travel assignment and is subject  
27 to layoff or downgrading from a job title to which he/she is assigned  
28 while on such travel assignment to a labor grade lower than the labor  
29 grade to which he/she was most recently assigned prior to the travel  
30 assignment: He/she may elect to be returned to the original location, in  
31 which case his/her placement shall, subject to Section 22.7, be  
32 determined in the following order: (1) any job title offered by the  
33 Company in a labor grade not less than the labor grade he/she held  
34 immediately prior to the travel assignment; (2) the job title held  
35 immediately prior to the travel assignment; (3) any other job title  
36 offered by the Company which he/she accepts; (4) layoff.

37           **22.17(c)** An employee on travel assignment, who completes such  
38 assignment, will be returned to the job title held preceding the travel  
39 assignment unless surplus action that developed during the travel

1 assignment resulted in the surplus of senior employees who have an  
2 effective application for Category A.

3 **Section 22.18 Miscellaneous.**

4 Other miscellaneous provisions of this Article 22, relating to workforce  
5 administration, are as follows:

6 **22.18(a)** Transfer into or out of unit.

7 **22.18(a)(1)** The Company may transfer or promote employees  
8 from any collective bargaining unit covered by this Agreement to  
9 the management (supervisory) payroll.

10 **22.18(a)(2)** The Company may transfer or demote non-bargaining  
11 unit employees (except those returning from the active  
12 management payroll) who have accumulated seniority under  
13 Section 14.1, to any collective bargaining unit covered by this  
14 Agreement only to job titles they have previously held within any  
15 such unit. Such transfers or demotions may be made subject to the  
16 preferential rights of Category A employees to the extent provided  
17 in Section 22.7.

18 **22.18(a)(3)** An employee returning from the active management  
19 (supervisory) payroll of the Company, and who is accumulating  
20 seniority or who has accumulated seniority in accordance with  
21 Section 14.1(b) will be returned to the job last held (if populated)  
22 or another job of the same labor grade or any lower grade.

23 **22.18(b)** Subject to the terms and conditions of this Agreement, and to  
24 the extent not covered by such terms and conditions, the procedures and  
25 rules relating to employees shall be determined by the Company.

26 **22.18(c)** As to an employee selected for a job opening on the basis of a  
27 Category A effective application who fails to respond to a recall or who  
28 declines to accept such an opening:

29 **22.18(c)(1)** If he/she is on layoff, he/she will lose seniority unless  
30 Subparagraph 22.18(c)(3) or Subparagraph 22.18(c)(4) applies.

31 **22.18(c)(2)** If he/she is on the active payroll and he/she declines  
32 for any reason to accept such an opening, his/her effective  
33 application as it relates to that job title will be considered cancelled  
34 but the employee may refile after a period of ninety (90) calendar  
35 days.

36 **22.18(c)(3)** If he/she is on layoff and, after interview, he/she  
37 declines to accept such an opening due to his/her valid assertion of

1 his/her inability to perform the particular work assignment, his/her  
2 Category A effective application for that job title shall not be  
3 effective until he/she refiles an application for his/her Category A  
4 eligibility. The Union will be notified of all valid assertions.

5 **22.18(c)(4)** If he/she is on layoff and is advised by the Company  
6 that the job identified with the opening is estimated to be for less  
7 than ninety (90) calendar days duration, the employee may reject  
8 such offer and maintain, irrespective of the actual duration of the  
9 job, his/her Category A effective application for that job title.  
10 His/Her application shall not be effective for the following thirty  
11 (30)-day period for other openings estimated to be for less than  
12 ninety (90) calendar days' duration.

13 **22.18(d)** Where an individual has been selected to fill an opening due  
14 to his/her status as a Category A but is surplus from the job title  
15 (including those treated as a completion of a temporary promotion) prior  
16 to the completion of thirty (30) calendar days, such surplus date will be  
17 deemed to be the last date he/she held such job title for the purpose of  
18 Section 22.9.

19 **22.18(e)** An employee who has taken a disability retirement, or who  
20 has been demoted or laid off due to a medical recommendation, and  
21 whose medical condition subsequently improves sufficiently to allow  
22 him/her to perform the required work, shall be (1) returned to his/her  
23 former job title provided he/she returns within six (6) years of the date  
24 he/she last worked in that job title, or (2) returned to a job title, subject  
25 to the employee's medical recommendation, for which he/she has  
26 established surplus rights in Article 22. The foregoing will apply  
27 provided work is being performed in such job title and provided further  
28 that his/her seniority entitles him/her to such placement when compared  
29 to the seniority of employees (other than retainees or stewards) in such  
30 job title. If his/her seniority is not sufficient to return him/her to his/her  
31 job title, he/she will be granted Category A status subject to the  
32 provisions of Section 22.1. His/Her Category A status will commence  
33 on the date he/she would have been subject to surplus action or the date  
34 on which his/her medical condition is sufficiently improved to allow  
35 him/her to perform the required work, whichever occurs first.

36 **22.18(f)** Whenever practicable, affected employees will be given at  
37 least twenty-four (24) hours notice prior to layoff.

**ARTICLE 23**  
**LAYOFF BENEFITS**

**Section 23.1 Establishment of Plan.**

The Company will establish a Layoff Benefit Plan to provide for lump sum or income continuation benefits as set forth in this Article. Such Plan will apply to employees who are laid off with an effective date on or after September 13, 2024.

**Section 23.2 Eligibility.**

All bargaining unit employees who have at least one (1) year of Company service and who are involuntarily laid off from the Company (other than a temporary layoff under Section 22.8, but including employees laid off because of declining a downgrade offer as allowed under Section 22.6) are eligible to receive the benefit described in Section 23.3; provided, however, the following employees shall not be eligible for the benefit: employees who upon their layoff become employed by a subsidiary or affiliate of the Company; employees who are laid off from the Company because of a merger, sale or similar transfer of assets and are offered employment with the new employer; employees who are laid off because of an act of God, natural disaster or national emergency; employees who are laid off because of a strike, picketing of the Company's premises, work stoppage or any similar action which would interrupt or interfere with any operation of the Company; and employees who terminate employment for any reason other than layoff, including, but not limited to, resignation, dismissal, retirement, death, or leave of absence.

**Section 23.3 Amount and Payment of Benefit.**

An eligible employee's total lump sum or income continuation benefit shall equal one (1) week of pay (i.e. forty (40) hours at the employee's base rate plus cost of living adjustment in effect on the date of layoff, but excluding any shift differentials or other premiums) for each full year of Company service as of the employee's layoff date, subject to a maximum benefit of twenty-six (26) weeks of pay. Eligible employees may elect either of the following:

**23.3(a)** Benefits will be paid as a lump sum following the effective date of layoff. Employees who elect this option will have all seniority under Article 14 and all recall rights under Article 22 canceled.

**23.3(a)(i)** Income continuation benefits will be paid in eighty (80)-hour increments, subject to an employee's total benefit, on regular paydays beginning with the second payday following the effective date of layoff. Income continuation benefits shall immediately cease upon the earlier of any of the following events: exhaustion

1 of the employee's total income continuation benefit; re-  
2 employment with the Company or any of its subsidiaries or  
3 affiliates; failure to respond with his/her acceptance within seven  
4 (7) regular workdays after dispatch by certified mail of a notice of  
5 recall from layoff; failure to report to work on the date designated  
6 by the Company; or change in the employee's employment status  
7 from layoff to resignation, dismissal, retirement, death, or leave of  
8 absence. Employees who elect this option will retain seniority as  
9 described in Article 14 and will retain recall rights as described in  
10 Article 22.

11 **23.3(a)(ii)** Subject to continuation of the Plan, no employee shall  
12 be paid income continuation benefits more than once during any  
13 three (3)-year period; provided, however, if an employee is re-  
14 employed by the Company before payment of the employee's total  
15 income continuation benefit and is subsequently laid off in such  
16 three (3)-year period under conditions which make the employee  
17 eligible for a benefit, any unused benefit will be payable to the  
18 employee under the procedures established by this Article.

19 **Section 23.4 Benefit Not Applicable for Other Purposes.**

20 Periods for which an employee receives income continuation benefits shall  
21 not be considered as compensation or service under any employee benefit  
22 plan or program and shall not be counted toward Company service. Benefits  
23 under this Article may not be deferred into the 401(k) Plan and shall be  
24 excluded from bargaining unit gross earnings for purposes of Letter of  
25 Understanding No. 32 of this Agreement.

26 **Section 23.5 Continuation of Medical Coverage.**

27 In the event of layoff, medical coverage for employees and dependents will  
28 continue until the employee is covered by any other group medical plan  
29 either as an employee or as a dependent, but in no event beyond six (6)  
30 months after the date of layoff. However, if the layoff occurs during or after  
31 a leave of absence, the maximum total period of continued coverage is thirty  
32 (30) months in the case of medical leave or twenty-four (24) months in the  
33 case of non-medical leave, measured from the end of the month in which the  
34 leave of absence began, irrespective of the date of termination. Required  
35 contributions, if any, must be paid during any period of such continuation of  
36 coverage.

**ARTICLE 24**  
**DURATION**

This Agreement shall become effective as of the beginning of first shift on September 13, 2024 (which date is the date as of which this Agreement was executed, sometimes referred to as the "effective date of this Agreement") and shall remain in full force and effect until 11:59 pm on September 7, 2028, and shall automatically be renewed for consecutive periods of one (1) year thereafter (after September 7, 2028), unless either party shall notify the other in writing, at least sixty (60) days prior to September 7th of any calendar year, beginning with 2028, of its desire to terminate the Agreement, in which event this Agreement shall terminate at 11:59 pm on September 7th, unless renewed or extended by mutual written agreement. In the case of such notice the parties agree to meet immediately thereafter for the purpose of negotiating a new Agreement or a written renewal of this Agreement.

The Company and the Union agree and commit that for the term of the Agreement they will, on the day of the third anniversary of this Agreement, or such other date as either party requests, mutually sign and execute a written amendment to this Agreement, which expressly reaffirms the terms and conditions of this Agreement.

On behalf of the collective bargaining unit for which, respectively, the undersigned is the certified collective bargaining agent, each of the undersigned as of the date stated above and as a party to the foregoing Agreement hereby accepts and agrees to the terms and conditions thereof.

**INTERNATIONAL ASSOCIATION  
OF MACHINISTS AND  
AEROSPACE WORKERS, AFL-CIO  
DISTRICT LODGE 751**

**THE BOEING COMPANY**

By \_\_\_\_\_  
President & Directing  
Business Representative

By \_\_\_\_\_  
Vice President  
Labor Relations

**DISTRICT LODGE W24**

By \_\_\_\_\_  
President & Directing  
Business Representative

**RULES GOVERNING THE APPLICATION  
OF JOB DESCRIPTIONS**

The following rules shall govern the application and interpret the intent of job descriptions and will be followed when job descriptions are revised or added:

1. The Determining Duties and Responsibilities are those elements of the job which distinguish it from higher or lower-graded work. Performance of Associated or Incidental Duties and Responsibilities alone is not sufficient to determine a classification. It is intended that such associated or incidental duties shall not be distinguishing elements or determinants of a level of difficulty but are stated either for descriptive purposes or because they are integral and necessary parts of the job.
2. When an employee is temporarily assigned to work falling in a higher labor grade than his/her regular job, he/she shall be paid at the higher rate for each day or major fraction (more than one-half) thereof that he/she remains so assigned. This rule is not intended to permit regular assignment for less than a major fraction of a day to a higher-graded job without payment for that job.
3. When paragraphs under Determining Duties and Responsibilities are numbered 1, 2, 3, etc., each paragraph is considered an alternative requirement.
4. An employee normally will perform some of the work of higher-rated jobs and some of the work of lower-rated jobs in the performance of his/her work assignment. The normal duties of any employee may include:
  - a. Assistance to others, including demonstration of work to be performed and explanation of work area procedures. This does not imply that the employee providing the assistance is responsible for the quantity or quality of work of the employee being assisted.
  - b. The use of proper hand and power tools and special shop equipment required to facilitate the work assignment.
  - c. The submission of his/her completed work assignment or any portion thereof to inspection.
  - d. The reporting of any job handicaps such as errors in materials, assembly procedures, tools, etc., in accordance with shop procedure outlined by supervisor.



- 1 5. Work assignments shall be in accordance with established job  
2 descriptions. This shall not restrict the right of the Company to alter  
3 work functions or to formulate new job procedures and begin work  
4 thereon in accordance with Article 13 - Labor Grades - Identification  
5 and Application Of. The Company shall have the right to make work  
6 assignments and require the employees to comply with such  
7 assignments. This shall not prevent the employees and/or the Union  
8 from processing complaints or grievances arising from alleged  
9 misassignments in accordance with Section 13.14 of the Agreement.
- 10 6. An employee is required to perform the work operations and duties  
11 described in or appraised as being covered by his/her job description  
12 with only a normal amount of guidance.
- 13 7. Webster's New International Dictionary, Third Edition Unabridged, by  
14 G. & C. Merriam Company and the Glossary of Terms and Phrases will  
15 be used to establish the meaning of words and phrases used in the job  
16 description.

17

## **GLOSSARY OF TERMS AND PHRASES**

18 The following terms and words are given definition and meaning to clearly  
19 indicate the common and consistent interpretation to be placed on them by  
20 all persons using the job descriptions.

21

### **1. Adapt**

22

To modify, alter or change furnished tooling to fit it for a specific need  
23 without altering its basic design.

24

### **2. Angle, Compound**

25

26

27

28

29

30

31

The angle between the two (2) non-coinciding sides of the two (2)  
oblique angles which are in different planes and have a vertex and one  
side in common. (Making a compound angle usually presents a  
coordinating tolerance problem since it results from holding two (2)  
adjoining component angles within tolerances. After the compound  
angle is formed, its measurement with protractor, square or sine bar is  
exactly the same as for any other angle and no more difficult.)

32

### **3. Assembly Jigs**

33

34

Jigs which facilitate holding and aligning a set of parts or assemblies for  
fabrication or assembly operations.

35

### **4. Check, Functional**

36

37

38

To determine whether a unit or portion of a system performs the  
function for which it is intended and, if not, whether rework or alteration  
is required. Checks of this nature include checking lines for leaks,

1 making buzzer, bell or other continuity checks, and checking response  
2 to controls as on landing gear.

3 **5. Check, Operational**

4 To make a complete check of an entire completed independent system.  
5 (An operational check always takes place on a completely assembled  
6 aircraft, missile, space vehicle or marine craft. Examples: checking the  
7 complete electrical system or hydraulic control system on a completed  
8 aircraft. It implies the necessity of a thorough knowledge of the shop  
9 theory involved.)

10 **6. Composites**

11 Parts made of two (2) or more distinguishable material components  
12 either metal and/or nonmetal processed under heat and/or pressure to  
13 achieve a desired configuration.

14 **7. Contour (Curvature)**

15 A curved surface having radii of different lengths all of which lie in  
16 parallel planes or the same plane, such planes being perpendicular to the  
17 curved surface, or a curved line having radii of different lengths all of  
18 which are in the same plane. The surface of a cone, a typical airfoil  
19 surface, the curved edge of a profiled plate and the curved layout line  
20 guiding the making of a router block are examples. Contour surfaces  
21 composed of sections of cylinders and edges whose profile is a section  
22 of a circle are excluded since the radii are the same length.

23 **8. Contour, Compound (Curvature)**

24 A curved surface having radii of different lengths which lie in  
25 nonparallel planes. Compound curvatures are typical of stretch press  
26 and drop hammer dies. The surface of a sphere or section thereon would  
27 be a regular compound curvature and is excluded.

28 **9. Curvature, Reverse (Contour)**

29 Means a compound curvature that reverses its curvature so that it has  
30 both concave and convex portions.

31 **10. Coordinated Tolerances, Coordinated Dimensions**

32 These expressions are used only when exacting tolerances are implied,  
33 i.e., exacting tolerances are to be associated always with "coordinated  
34 dimensions," "coordinated tolerances" unless modified expressly. It  
35 should be understood that the mere location of a point by two (2) or  
36 more reference dimensions does not in itself mean that the dimensions  
37 themselves are coordinated. The following is an example of truly  
38 coordinated dimensions: The precise dimensions between two (2) holes  
39 must be held while at the same time the precise dimensions locating

1 each of the holes must also be held with respect to another reference  
2 point or line.

3 **11. Data Input**

4 The use of any terminal or keyboard device to insert information into a  
5 computer system.

6 **12. Data Retrieval**

7 The use of any terminal or keyboard device to obtain information from  
8 a computer system.

9 **13. Developmental or Experimental Parts**

10 Parts intended for use on an experimental or developmental aircraft,  
11 missile, space vehicle or marine craft, i.e., one of a few aircraft  
12 designated as being actually or potentially subject to major modification  
13 or change. These aircraft, missiles, space vehicles, or marine craft are  
14 usually produced singly or in small lots using standard tooling,  
15 improvised tooling, newly constructed production tooling or no tooling.  
16 Use of this term in a job description does not imply a particular level of  
17 difficulty unless such intention is clearly and specifically indicated.

18 **14. Draw, Deep**

19 The relation of depth of draw to its other dimensions is such that it is  
20 distinguished by custom from moderate or shallow draw.

21 **15. Drawing Metal**

22 The forming of sheet metal or other material by pressing it into a die  
23 while at the same time retarding movement of the metal into the die by  
24 mechanical holding, as with draw rings.

25 **16. Electronic Systems**

26 Systems utilizing interrelated devices constructed or working by the  
27 methods or principles of electronics.

28 **17. Experimental Work, Developmental Work**

29 Experimenting with the process or operation (assembly and/or  
30 fabrication) in order to develop new or improved methods, or building  
31 or making new assemblies and installations where exercise of a  
32 thorough knowledge of shop theory involved is necessary and further is  
33 a recognizably difficult assignment which requires ingenuity to  
34 accomplish the assignment satisfactorily. It does not include work done  
35 by a usual or established process or operation on a part even when such  
36 part is on or will later be used on an experimental or prototype product.

1 **18. Hand Tools**

2 Hand tools normally used by the workmen in the performance of their  
3 occupation, such as files, rasps, deburring tools, chisels, saws, hand  
4 drills, screwdrivers, wrenches, mallets and punches.

5 **19. Layout**

6 The actual marking of locating and reference points and lines on the  
7 material, part, tool, fixture, jig or assembly worked on. (Layout in itself  
8 does not imply a high level of difficulty of skill since it can be a simple  
9 work operation such as measuring a length on a piece of lumber and  
10 marking a line or point at which it is to be sawed, marking lines on  
11 pavement with a chalk line preparatory to painting, or scribing around  
12 a furnished template on flat stock. On the other hand, layout can be a  
13 difficult work operation which requires much skill, knowledge, and  
14 experience to make the necessary computations, part setup, precise  
15 measurements and markings, and interpretation of complex blueprints  
16 such as on a complex die or casting requiring layout to establish  
17 locations for coordinated hole patterns, compound angles and/or  
18 irregular curvatures.)

19 **20. Layout of Part**

20 Marking of points and lines which will determine the exact nature and  
21 dimensions of the part after machining or fabrication operations have  
22 been performed. (Layout of this nature is an integral and necessary step  
23 in the fabrication of the part.)

24 **21. Lead**

25 On the part of any classified employee to delegate as authorized, a  
26 portion of his/her allocated work to employees assigned to work with  
27 him/her and pass on sufficient information to enable those employees  
28 to accomplish their work in a manner that will result in economy, quality  
29 and efficiency.

30 Employees classified on jobs which include lead responsibilities will:

31 (a) Make detailed work allocations as instructed by the supervisor, in  
32 conformance with the classifications of employees being led, but  
33 will not make basic work assignments which affect the  
34 classification of employees.

35 (b) Be responsible for furnishing sufficient and accurate information to  
36 assigned employees.

37 (c) Interpret information, answer questions, review, check work and  
38 eliminate ordinary difficulties.

1 (d) Perform the other "Determining Duties and Responsibilities"  
2 specified in assigned classification.

3 Employees classified on jobs which include lead responsibilities shall  
4 not formally appraise the work of other employees or make, as a result  
5 of solicitation by the supervisor, recommendations concerning  
6 employment, release, transfer, upgrading or disciplinary action relative  
7 to other employees, be directly responsible for the quantity or quality of  
8 work produced by other employees, be responsible for the assignment  
9 of overtime within the shop, be required to take attendance for other  
10 than the purpose of making detailed work allocations, or be responsible  
11 for handing out paychecks.

## 12 **22. Multi-Dimensional Measurement Systems**

13 Measurement systems capable of generating precision coordinate data  
14 through the use of multi-dimensional techniques. These systems  
15 typically utilize optics, lasers, film based or digital technologies.  
16 Examples of current systems include, but are not limited, to laser  
17 trackers, coordinate measuring machines, photogrammetry and  
18 theodolites.

## 19 **23. Pickup**

20 The performance, out of usual or normal sequence, of work operations  
21 which have been omitted by intention or of necessity (as part shortage  
22 or rushed schedule) or by oversight (as failure to drill a hole, make a  
23 cutout, or install a part). (Pickup work does not of itself establish a high  
24 or higher level of difficulty since work done out of sequence is very  
25 often no more difficult than when done in sequence. Therefore, the  
26 level of difficulty is to be determined from the composite job  
27 description and compared with the actual pickup work in question.)

## 28 **24. Plan Sequence of Operations**

29 To devise and develop, subject to supervisory approval, a method of  
30 fabrication, assembly, installation progression, testing or inspecting,  
31 etc., for an employee's given work assignment whereby subject work  
32 will be accomplished in the most practical, expedient and efficient  
33 manner in keeping with quality standards. It is intended to relate solely  
34 to the employee's work operation and does not encompass the  
35 progression of the work order to or through the department.

## 36 **25. Production Aids**

37 Devices such as temporary jigs and fixtures made by the worker to  
38 facilitate work operations, increase production or reduce elements of  
39 fatigue or strain. Production aids made into permanent tools will be  
40 checked and identified by tooling organizations.

1     **26. Program**

2             A sequence of instructions that directs a computer to perform specific  
3             operations to achieve a desired result.

4     **27. Repair**

5             To restore a part or assembly to its original state or utility after it has  
6             been damaged by accident or by wear. It does not have the same  
7             meaning as "Rework."

8     **28. Rework**

9             To undo and then do over work previously accomplished in order to  
10            correct errors or make it conform to specifications. (Rework can be  
11            simple or difficult according to its nature and variety, therefore, the  
12            level of difficulty intended is to be determined from the composite job  
13            description.)

14    **29. Setup**

15            A broad term which becomes specific only according to its usage and  
16            application to machines and/or operations concerned. It includes the  
17            various necessary physical work operations or steps (other than layout)  
18            which must be accomplished before actual fabrication can proceed.  
19            (Setup of a machine might include securing material to machine bed at  
20            the proper angle for cutting, selecting, aligning and setting cutting tool  
21            setting speeds and feeds, and adjusting coolant flow.) In most assembly  
22            operations, setup (e.g., positioning parts) is so closely intermingled with  
23            fitting and joining together that setup is not customarily designated as  
24            such. This is generally true of operations where machine operation is  
25            not the primary job factor.

26    **30. Shop Hardware Aids.**

27            Shop hardware aids are non-designed, non-inspected, hardware that is  
28            used to assist with the manufacturing process and typically includes  
29            constructed carts, shelves, point-of-use and work in process equipment,  
30            containers, covers, special tables, or other expensed items used to  
31            support production and assembly areas. Shop hardware aids cannot be  
32            used to control part/product configuration, as a media of inspection, or  
33            be used directly on aircraft assemblies and subassemblies as part of the  
34            defined build plan.

35    **31. Shop Practice**

36            The generally accepted method of performing a basic, common, or usual  
37            operation under specific conditions. It covers the knowledge which is  
38            common to the occupation itself and to most manufacturing shops using  
39            the operation under consideration. Besides the knowledge and ability  
40            to use required hand tools and equipment, it includes knowledge of

1 general safety practices, conduct, rules of cleanliness, neatness, good  
2 housekeeping and care of equipment. Used in the phrase "shop  
3 practices and procedure," practice need not imply other than practices  
4 or methods learned or acquired at any one shop.

### 5 **32. Shop Procedure**

6 The way custom and management require, wish or specify that the work  
7 be performed. It includes the organizational and Company rules,  
8 procedures and policies made known to the employee for his/her  
9 information and expected compliance. It covers or implies having  
10 sufficient knowledge of organization, management, and physical details  
11 of the Company to perform satisfactorily the required work in a  
12 generally harmonious manner.

### 13 **33. Shop Theory**

14 The comprehensive craft knowledge and special skills associated with  
15 the particular trade and related trades without which advanced work of  
16 high quality, quantity and uniformity may not be performed. A  
17 thorough knowledge of shop theory is considered necessary to  
18 accomplish the more difficult and diversified work of an occupation and  
19 includes a real understanding of the capacities as well as limitations of  
20 the machines and skills used in the trade. It implies a knowledge of  
21 "why" as well as "how" a given task should be done. It is acquired by  
22 a combination of observation, experience and schooling.

### 23 **34. Software**

24 A collection of programs, routines, and sub-routines that facilitate the  
25 programming and operation of a computer to include documentation  
26 and operational procedures.

### 27 **35. Tooling, Standard**

28 Those tools or tooling used on the same or different types of machines  
29 or operations, principally in making a setup for either layout or  
30 machining and occasionally for bench or assembly work and which  
31 further are found commonly in nearly all shops and industries  
32 performing similar operations. (In the machine shop it would include  
33 Vee-blocks, parallel bars, angle plates, chucks, collets, machine vises, a  
34 wide variety of clamps, bolts, locks and wedges. In bench or assembly  
35 work it would include surface plates, table vises, and various common  
36 attachments used on portable and stationary tools to permit holding the  
37 work or increasing the scope of the tool.)

**LETTERS**

**OF**

**UNDERSTANDING**



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## TABLE OF CONTENTS

<b>LTR #</b>	<b>TITLE</b>	<b>PAGE</b>
1	Data Reports to be Provided to the Union .....	135
2	Facilities Maintenance Subcontracting and Production Equipment Maintenance .....	136
3	Union Interview of New Employees.....	138
4	Employees on Overseas Assignment .....	140
5	Establishment of Jobs to Cover New, Substantially Changed or Combined Work Functions.....	141
6	Negotiated Job Title Changes .....	142
7	Joint Company-Union Alcohol and Drug Dependency Program.....	143
8	AOG Assignments .....	147
9	Corporate Jobs .....	150
10	Corporate Jobs Committee.....	151
11	Overtime .....	153
12	Meaning of Section 19.3 of Collective Bargaining Agreement.....	155
13	Time Limits in Section 19.3 .....	156
14	Dues Deduction Authorization for Wichita Unit .....	157
15	Joint Committee on Health Care Costs & Quality .....	158
16	Section 6.10(b) of Collective Bargaining Agreement .....	160
17	Modified In-Line Promotion for Certain Job Titles .....	161
18	Expenditure of Funds Under Art. 16 & Art. 20 .....	162
19	Articles 16 and 20 - Confidentiality of Information.....	164
20	NC/CNC/Adaptive Computer Systems and Computer Aided Work Stations .....	165
21	Non-Traditional Work Schedules .....	166
22	Part-Time Work Schedules.....	167
23	Factory Service Attendants Rate Structure Revision .....	169
24	Child Development Program .....	170
25	IAM/Boeing Jt Programs Education Assistance Program/ Learning Together .....	171
26	Administration of Joint Programs .....	172
27	Accelerated Layoff .....	174
28	Continuous Productivity Improvement .....	175
29	Use of Career Guides .....	176
30	Student Development and Tech Prep Students .....	177
31	Machinists Custom Choices Voluntary Benefits .....	179
32	Ratification Bonus .....	180
33	Team Leader .....	181
34	Materials Delivery and Inventory Process .....	183
35	SI&A/MSE Infrastructure, Roles and Responsibilities.....	184
36	Joint Committee to Study Employment Stabilization .....	187
37	Joint Union/Boeing Executive Committees .....	188
38	Incentive Plan .....	190

	<b>LTR #</b>	<b>TITLE</b>	<b>PAGE</b>
1			
2	<b>39</b>	Work Placement .....	191
3	<b>40</b>	777X Work Placement.....	193
4	<b>41</b>	Future Work Placement .....	194
5	<b>42</b>	Machinists Institute.....	195
6	<b>43</b>	Apprenticeship Utilization .....	196
7	<b>44</b>	AI Systems in the Workplace .....	197
8	<b>45</b>	Paid Parental Leave .....	198
9	<b>46</b>	Annuity Option .....	199
10	<b>47</b>	Primary Care+.....	200
11	<b>48</b>	Quality and Safety .....	201
12	<b>49</b>	Occupational Health Nurse Rate Structure Revision .....	203

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**LETTER OF UNDERSTANDING NO. 1**

**SUBJECT: DATA REPORTS TO BE PROVIDED TO THE UNION**

The Company will continue to provide those data reports to the Union which were being provided during the prior bargaining agreement, subject to such revisions in the future as may be made by mutual agreement of the parties.

Dated: September 13, 2024

1   **LETTER OF UNDERSTANDING NO. 2**

2                   **SUBJECT: FACILITIES MAINTENANCE SUBCONTRACTING**  
3                   **AND PRODUCTION EQUIPMENT MAINTENANCE**

4           The Company and the Union have undertaken a joint review of  
5           subcontracting practices in the Facilities Maintenance organizations at the  
6           Primary Locations covered by this Agreement. It has been determined that  
7           managing the unique subcontracting aspects of this organization, including  
8           the cost effectiveness of subcontracting practices, can be improved by  
9           regularly reviewing subcontracting decisions, including work packages  
10          being subcontracted and let out to bid. Accordingly, the parties agree to  
11          continue the process to review subcontracting decisions at each Primary  
12          Location in order to determine whether work packages can be completed by  
13          bargaining unit employees within budgeted costs and schedules. To assist in  
14          the oversight process, the Company will notify the Site Committee ten (10)  
15          work days prior to signing the subcontract to allow for the discussion to take  
16          place. Should there not be capacity or capability for the Facilities  
17          Maintenance team to complete the work, or an emergent condition requiring  
18          immediate action to take place, the Company will notify the Union as soon  
19          as practical of the decision to subcontract and the reasons for the decision.  
20          As part of this joint effort, the parties commit to furthering a work  
21          environment that creates operational effectiveness, continuous  
22          improvement, and competitiveness.

23          The Company agrees to maintain the bargaining unit headcount within  
24          general classifications for those employees currently performing Facilities  
25          Maintenance work through the life of the Agreement, unless events beyond  
26          the control of the Company (acts of God, natural disasters, major accidents,  
27          etc) should occur. In furthering this objective, the Company will conduct a  
28          quarterly review with the Union to share status on the previous quarter's  
29          activities and to discuss opportunities to improve the joint review process.

30          The Company agrees that with respect to statements of work covering  
31          production equipment maintenance, and work not of a type and character  
32          within Facilities Maintenance – Crane Maintenance, Factory Services,  
33          Reclamation, and Industrial Waste – the Company will not subcontract or  
34          outsource the work. In regards to the Company's initial purchase and setup  
35          of new equipment, the Company may continue to have suppliers set up new  
36          equipment to maintain its warranty, providing bargaining unit equipment  
37          services employees shall work alongside and receive training from the  
38          supplier in order to take over the maintenance statement of work.

1 In addition, the Company agrees that bargaining unit employees in the  
2 Facilities Maintenance organization as of September 13, 2024, will not be  
3 laid off as a direct result of Facilities Maintenance subcontracting. This  
4 restriction does not apply in the event of a merger, sale, transfer, or other  
5 disposition of a plant or facility or operating unit thereof, or to temporary  
6 subcontracting necessary because of required equipment overhaul or repair,  
7 labor disruptions, or events beyond the control of the Company (acts of God,  
8 natural disasters, equipment failure, major accidents, etc.). In lieu of layoff,  
9 employees will be retrained and reassigned for available work outside the  
10 Facilities Maintenance organization.

11 The Company may continue to subcontract Facilities Maintenance and  
12 General Construction work to be performed on Company property by  
13 outside workers provided that such work is of a type and character as has  
14 been so subcontracted in the past. Should emergent work of this nature need  
15 to be performed, it shall not be a basis for the Company to establish a work  
16 statement as a type and character that can be subcontracted.

17 Disputes involving alleged violations of this Letter of Understanding shall  
18 be subject to the grievance and arbitration procedure provided for in Article  
19 19 of this Agreement.

20 Dated: September 13, 2024

### LETTER OF UNDERSTANDING NO. 3

1           **SUBJECT: UNION INTERVIEW OF NEW EMPLOYEES**

2           It is recognized by the Company that the Union has an interest and  
3           responsibility in explaining the function of the Union in a collective  
4           bargaining relationship and the advantages of membership in the Union.  
5           The Union is also aware and has agreed that solicitation of membership  
6           cannot be conducted during working time due to the interference and  
7           disruption that could result in working schedules. To accommodate both  
8           viewpoints and assure that an ample opportunity exists for the Union to  
9           explain their role in the bargaining relationship while preserving minimal  
10          interference in the Company's working schedule the following procedure  
11          will be utilized:

- 12           1. At an appropriate time following the Company interview, all  
13           individuals employed into the IAM bargaining unit will be directed  
14           to an IAM&AW representative who is present in the Employment  
15           Office.
- 16           2. The following message will be used by the Company representative  
17           to introduce the IAM&AW representative:  
18           "The Union representative wishes to explain their designation as  
19           your bargaining agent, your opportunity for membership, and the  
20           payroll deduction of dues for members."
- 21           3. The Union representative will advise the employees that  
22           membership in the IAM&AW is voluntary and not a required  
23           condition of employment.
- 24           4. Both the Company and the Union agree to cooperate in the  
25           implementation and administration of this procedure. Neither party  
26           will interfere, restrain or coerce employees and both parties agree  
27           to use good judgment in all words and actions during this  
28           procedure.
- 29           5. The Union agrees to minimal interference with the new employee  
30           employment processing and the Company agrees to refrain from  
31           any actions or statements which could adversely reflect upon the  
32           Union.
- 33           6. The Union agrees to pay their representative's time allotted by this  
34           procedure and to have sufficient representatives present during  
35           normal working hours.

1           7. With the implementation of the procedure for the interview of new  
2           employees it is agreed that any existing or contemplated  
3           arrangements for permitting the Union to explain membership to  
4           applicants or hires is no longer valid and will be cancelled.

5           Dated: September 13, 2024

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**LETTER OF UNDERSTANDING NO. 4**

**SUBJECT: EMPLOYEES ON OVERSEAS ASSIGNMENT**

Employees on overseas assignment who perform production work will continue to accumulate seniority during such period of assignment without regard to their payroll classification while on such assignment. If such an employee, at the time of such assignment, had on file with the Company an effective authorization for Union dues deduction, the Company will continue to make such Union dues deductions during such period, and the Union agrees to save the Company harmless from any claim for damages on the part of any employee so affected.

Dated: September 13, 2024



1                                   **LETTER OF UNDERSTANDING NO. 5**

2                   **SUBJECT: ESTABLISHMENT OF JOBS TO COVER NEW,**  
3                   **SUBSTANTIALLY CHANGED, OR COMBINED WORK**  
4                   **FUNCTIONS**

5       The purpose of this Letter is to set forth the procedure to be followed when  
6       the Company determines it is necessary to combine jobs or establish a job  
7       or jobs to describe new or substantially changed work functions in  
8       accordance with the provisions of Article 13 of the Collective Bargaining  
9       Agreement of this date.

- 10             1.   Company representatives identified with the appropriate unit (as  
11               defined in Section 1.1 of the Agreement) will prepare job  
12               descriptions and discuss such descriptions with Union  
13               representatives of the appropriate unit as provided in Section 13.5.  
14               In the event it is necessary to assign employees to the new or  
15               substantially changed work functions prior to the establishment of  
16               the job or jobs, Section 13.6 will apply.
- 17             2.   The Company's Corporate Vice President, Compensation will  
18               transmit a draft copy of the proposed job or jobs to the Union  
19               representative designated by the International Association of  
20               Machinists and Aerospace Workers, AFL-CIO, to receive such  
21               information.
- 22             3.   Following transmittal of the proposed job or jobs to the designated  
23               Union representative, the job or jobs will be established by written  
24               notification from a Company representative to a Union  
25               representative identified with the unit where the job or jobs are to  
26               be established.
- 27             4.   Union inquiries or grievances as provided for in Article 13 will be  
28               received and processed by Company and Union representatives  
29               identified with the particular collective bargaining unit defined in  
30               Section 1.1 of the Agreement in which the job or jobs have been  
31               established.
- 32             5.   The Company agrees to train affected employees to perform any  
33               newly defined tasks when it is determined training is needed.  
34               Preference will be given to senior employees when possible.

35       Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 6**

2                                   **SUBJECT: NEGOTIATED JOB TITLE CHANGES**

3       Following are provisions mutually agreed to by the Company and the Union  
4       with respect to employees affected by negotiated job title changes:

5       A. \*An employee's retention and Category A status will be applicable to  
6       the new classification if:

- 7             1. There is a change in job code number or title change only, or  
8             2. A job title is deleted or depopulated and employees are reclassified  
9             to a newly established job title.  
10            3. The job title is upgraded and combined with an existing job title.  
11            4. The job title is deleted or depopulated and employees are  
12            reclassified laterally to an existing job title for the purpose of  
13            combination of said job titles.

14       B. An employee's retention status will be applicable to the new  
15       classification if a job title is retained and some employees are  
16       reclassified to a newly established job title.

17            Reclassifications made in accordance with the foregoing will not be  
18            subject to other Bargaining Agreement provisions relating to  
19            reclassifications.

20       \*If a job title is deleted or depopulated and employees are reclassified to  
21       more than one (1) new classification in different labor grades, Category A  
22       rights will apply to the job title in the lower labor grade.

23       Dated: September 13, 2024

1 **LETTER OF UNDERSTANDING NO. 7**

2 **SUBJECT: JOINT COMPANY-UNION ALCOHOL AND**  
3 **DRUG DEPENDENCY PROGRAM**

4 The Company and the Union establish the following Joint Company-Union  
5 Alcohol and Drug Dependency Program, relating to an employee's  
6 voluntary entry into treatment in lieu of termination for attendance or  
7 performance, when deemed appropriate by the Company:

8 **A.** The following are basic essentials for an effective alcohol and drug  
9 dependency program:

- 10 1. Participation in the Program by an individual employee must be  
11 voluntary and will be kept confidential to preserve the employee's  
12 privacy.
- 13 2. Effectiveness of the Program is directly dependent upon the degree  
14 to which the employee affirmatively seeks such voluntary  
15 participation.
- 16 3. The Program is by its nature a progressive undertaking, and failure  
17 of an employee to participate in an earlier stage may eliminate the  
18 employee from subsequent stages.
- 19 4. The Company's right to discipline an employee for unsatisfactory  
20 performance or attendance is not diminished or modified in any  
21 way by the fact that the employee may have an alcohol or drug  
22 problem. However, while discipline for other Company Rule  
23 violations shall not be affected by this Program, disciplinary action  
24 for unsatisfactory performance or attendance may be held in  
25 abeyance during the employee's cooperative participation in the  
26 Program, provided no further performance or attendance problems  
27 occur.

28 **B.** The Program is divided into the following stages:

- 29 1. Identification.  
30 2. Evaluation.  
31 3. Treatment.  
32 4. Return to work.

33 **C.** Identification.

- 34 1. Identification of an employee as having an alcohol or drug problem  
35 which interferes with job performance or attendance can occur in  
36 several ways:
- 37 a. The individual employee acknowledges the problem and so  
38 advises a Company or Union representative.

- 1           b. Company management or Union representatives become  
2           aware of the employee's performance or attendance problems  
3           and have some reason to believe the problems are alcohol or  
4           drug related.
- 5           2. At this stage, a brief counseling session attended by the employee,  
6           his/her supervisor and, if agreeable to the employee, his/her  
7           personnel representative and Union representative, should be  
8           arranged and the following items covered: (If the employee so  
9           desires, a separate, private counseling session with his/her Union  
10          representative can be utilized as an alternative to the Union  
11          representative's participation in the supervisor's counseling session  
12          with the employee.)
- 13          a. The Program shall be clearly explained to the employee.
- 14          b. The facts that participation is purely voluntary and will be kept  
15          confidential should be emphasized.
- 16          c. It should be stressed that the extent of the employee's alcohol  
17          or drug problem, if any, has not yet been determined.
- 18          d. The employee should be advised that normal disciplinary  
19          action appropriate for his/her job performance or attendance  
20          problems may be held in abeyance so long as he/she  
21          cooperatively participates in the Program, provided no further  
22          performance or attendance problems occur.
- 23          e. The session will conclude by advising the employee that, if  
24          agreeable, an appointment will be arranged with the Company  
25          Employee Assistance Program for a professional evaluation  
26          of the problem.

27       **D. Evaluation.**

- 28          1. Because alcohol and drug problems vary considerably (their causes  
29          are innumerable, they may be temporary or of long duration, they  
30          may be acute or chronic, they may or may not involve serious  
31          physical deterioration), it is imperative that the scope of the  
32          employee's problem must be medically evaluated at the outset.
- 33          2. At the appointment with the Company Employee Assistance  
34          Program, the employee will be advised that:
- 35          a. The results of the evaluation will be retained by the Employee  
36          Assistance Program and by any outside medical evaluator, and  
37          will be provided to the employee and, if agreeable to him/her,  
38          to the Union.

- 1           b. If the evaluation concludes that the employee does not have a
- 2           significant alcohol or drug problem requiring further
- 3           treatment, no further participation in the Program is required.
- 4           c. If the evaluation concludes that the employee has an alcohol or
- 5           drug problem requiring treatment, such treatment by an outside
- 6           organization or medical expert from a list agreed upon by the
- 7           Company and the Union will be arranged by the Company
- 8           Employee Assistance Program.
- 9           d. The employee's participation in such treatment is voluntary.
- 10          However, if the employee refuses such treatment, or fails to
- 11          cooperate in its successful completion, any disciplinary action
- 12          for his/her job performance or attendance problems which has
- 13          been held in abeyance may be taken.

14 **E. Treatment.**

- 15          1. When the Evaluation Report indicates that treatment is necessary
- 16          and the employee agrees in writing to participate, the Company's
- 17          Employee Assistance Program will arrange with the employee and
- 18          the selected treatment agency a schedule for treatment.
- 19          2. If necessary for treatment, the employee will arrange for a medical
- 20          leave of absence via Worklife for the period of the treatment.
- 21          3. If the employee continues to work during treatment, he/she will be
- 22          subject to normal rules of conduct and performance.

23 **F. Return to Work.**

- 24          1. If a leave of absence is required for the treatment of the employee's
- 25          alcohol or drug related condition, the employee's return to work
- 26          must be approved by the Company Employee Assistance Program.
- 27          2. Such approval will depend, in large measure but not exclusively,
- 28          on the recommendation of the outside treatment agency or expert
- 29          as to the employee's successful completion of the treatment.
- 30          3. An employee's failure to successfully complete the recommended
- 31          course of treatment may result in termination of employment
- 32          unless, in the opinion of the Company Employee Assistance
- 33          Program, the employee is able to return to work.

34 **G. Costs incurred by the employee for medical evaluation and treatment**

35 **will be reimbursed under the Company's Group Insurance Program**

36 **subject to the requirements and limitations of that Program.**

1     **H.** The Company and the Union are interested in exploring the desirability  
2         of organizing a Boeing Chapter of Alcoholics Anonymous comprised  
3         of eligible hourly employees who could provide counseling and other  
4         essential supporting services to employees participating in this  
5         Program.

6     Dated: September 13, 2024

1 **LETTER OF UNDERSTANDING NO. 8**

2 **SUBJECT: AOG ASSIGNMENTS**

3 Boeing Commercial Airplane Group employees on emergency field  
4 assignments relating to airplane on ground (AOG) involving overnight travel  
5 from their home location to a location where the Company has not  
6 established an operation, and when such travel is covered by the Company's  
7 Business Travel procedures, shall not be subject to the provisions of Sections  
8 5.3, 6.9 and 6.10 of the Agreement.

9 The employee's work schedule status will be as follows:

- 10 (1) No shift identification will be assigned.
- 11 (2) The work week will be from 1:00 a.m. Monday to 1:00 a.m. the  
12 following Monday.
- 13 (3) Monday through Friday will be designated as regular workdays.
- 14 (4) Saturday will be designated as the first day of rest and Sunday will  
15 be designated as the second day of rest.

16 Wage payment basis will be as follows:

- 17 (1) The employee shall receive at least eight (8) hours pay at Labor  
18 Grade 10 for each regular workday, to include weekends, on which  
19 the employee works or is available for work.
- 20 (2) The employee's regular rate shall include his or her base rate plus  
21 the applicable Cost of Living rate and the premium rate of \$3.00  
22 per hour. Additionally, employees who are assigned and  
23 performing work as a lead whether at their home location or on  
24 travel assignment, in the 92310 – Aviation Maintenance Technician  
25 and Inspector – AOG job classification, will receive a premium of  
26 \$2.00 per hour while performing such work. Leads in AOG can  
27 include the following assignments:
- 28 • AOG Incident Repair
  - 29 • Technical Assist
  - 30 • Preplanning activity for incident repairs and production  
31 projects
  - 32 • Production leads on critical projects
- 33 (3) For the first eight (8) hours worked on other than a day of rest, the  
34 employee shall be paid at his or her regular rate.

- 1 (4) For time worked in excess of eight (8) hours on other than a day of  
2 rest, the employee shall be paid at his or her regular rate for one  
3 and one-half times the hours worked through the first two (2) hours  
4 and double the hours continuously worked thereafter.
- 5 (5) For time worked on the first day of rest the employee shall be paid  
6 at his or her regular rate for one and one-half times the hours  
7 worked through the first eight (8) hours of work and twice the hours  
8 continuously worked thereafter.
- 9 (6) For time worked on the second day of rest the employee shall be  
10 paid at his or her regular rate for twice the hours continuously  
11 worked.
- 12 (7) For Company holidays which occur during a travel assignment  
13 employees shall receive eight (8) hours' holiday pay, and in  
14 addition, for time worked on a holiday, the employee shall be paid  
15 at his or her regular rate for twice the hours worked.
- 16 (8) Employees will receive pay for all hours spent traveling from their  
17 permanent place of residence until arrival at the assigned  
18 destination. If employees are required to depart for a travel  
19 assignment after reporting to work, the time spent traveling shall  
20 include the retroactive travel time from their permanent place of  
21 residence, until arrival at the assigned destination.
- 22 (9) While on travel assignment, employees will receive pay beginning  
23 at the time that the employee is assigned to report for transportation  
24 to the assigned work location until the arrival time back at the  
25 lodging location.
- 26 (10) Employees will receive pay for all hours spent on return travel from  
27 their temporary lodging location (or assigned work location) until  
28 their arrival at their permanent place of residence.

29 The following telephone and laundry allowance will be authorized:

- 30 (1) An employee will be authorized to telephone his or her home at  
31 Company expense in accordance with applicable Company policy.  
32 Where available, the Company's BTN system will be used. When  
33 necessary to use conventional long-distance service, the employee  
34 will be reimbursed for the cost of the call, provided the call is of  
35 reasonable duration.
- 36 (2) An employee on a travel assignment will be reimbursed for the cost  
37 of any laundry service which is reasonable and necessary in  
38 accordance with applicable Company policy.



1 The Union may designate, from among the employees on an assignment  
2 covered by this Letter of Understanding, one (1) employee as a steward;  
3 however, the provisions of Article 4 of the Agreement shall not apply to such  
4 steward. The Union shall notify the Company in writing of such  
5 designation. The Company shall not assign non-bargaining unit employees  
6 to perform AOG jurisdictional work assignments.

7 Employees returning from such a travel assignment will be allowed sixteen  
8 (16) hours between time of arrival at the home terminal, or clearance from  
9 U. S. Customs in the case of employees returning from international  
10 locations, and the start of their next regular shift assignment. Employees  
11 will be granted leave with pay for any unworked portion of their assigned  
12 shift which falls within this sixteen (16)-hour period provided they report  
13 for work at the applicable time so described in this provision. Exception to  
14 the above provision will be in the case where the sixteen (16)-hour period  
15 extends beyond the end of the employee's regularly scheduled lunch period,  
16 in which case the employee will not be required to report for work and will  
17 be paid for the entire shift.

18 Employees on travel assignments for which time enroute exceeds eight (8)  
19 continuous hours will not be required to work their regular shift on the date  
20 of departure and will receive all wages pursuant to section 8 – 10 of the  
21 above. When travel time enroute to a customer work location exceeds  
22 twelve (12) continuous hours, a minimum of twelve (12) hours rest will be  
23 provided prior to beginning work whenever possible within customer  
24 required schedules.

25 Employees returning from travel assignment on other than the assigned  
26 return date, as requested by the employee, will be compensated at the  
27 assigned return date rate.

28 Dated: September 13, 2024

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**LETTER OF UNDERSTANDING NO. 9**

**SUBJECT: CORPORATE JOBS**

The Company shall establish and maintain Corporate job codes for all job classifications covered by the parties' Collective Bargaining Agreement of this date. The Corporate job codes shall be used in the Puget Sound, Wichita and Portland Units represented by the IAM. A Job List - Existing Jobs will be prepared, effective September 13, 2024 showing the Corporate job code and title for each job classification and will indicate the jobs that are authorized as of that date for use in each of the respective units.

The Job List will also show the corresponding Wichita code for each job authorized as of that date for use in that unit. The Wichita job code will be used for all employee transactions, records, and reports in that unit. The Corporate job code will be shown in the upper right hand area of Wichita job descriptions and the corresponding Wichita job code will be shown in the lower right hand area of Wichita job descriptions.

It is understood that, as a result of the Company's sole right to organize work and determine job duties, work may be organized so that between units similar work functions and activities will be designated by different titles and descriptions.

It is also understood that the Company in organizing a new work activity, may install in a particular unit those Corporate jobs, authorized for another unit, that describe the work to be performed.

Dated: September 13, 2024

1 **LETTER OF UNDERSTANDING NO. 10**

2 **SUBJECT: CORPORATE JOBS COMMITTEE**

3 **The purpose of this Letter is to define the objectives of the joint**  
4 **Union/Company Corporate Jobs Committee.**

- 5 1. The Corporate Jobs Committee shall consist of not more than six (6)  
6 representatives appointed in writing by the Union's Corporate  
7 Coordinator and not more than six (6) representatives appointed in  
8 writing by the Company's Vice President of Union Relations. This  
9 Committee may be comprised of representatives from the Puget  
10 Sound, Wichita, and Portland Primary Locations. The Union and the  
11 Company will each appoint a chair of its group. Recognizing that  
12 recommendations by the Committee can have a significant impact on  
13 the job classification structure throughout all Primary Locations, it is  
14 expected that appointed members of the Committee are to participate  
15 fully in all Committee activities as defined by the respective chairs.
- 16 2. The Committee shall, as determined jointly by its chairs, study the job  
17 classification system established by Article 13 of the parties' Collective  
18 Bargaining Agreement in order to maintain the integrity of the system  
19 and to develop and implement plans for change that will provide job  
20 enhancement, employment security and productivity improvements.  
21 Such activities may include but are not limited to:
- 22 • Developing innovative job structure proposals.
  - 23 • Deactivating zero or minimally populated jobs.
  - 24 • Combining jobs by placing similar work in similar job  
25 classifications.
  - 26 • Developing new jobs and revisions to existing jobs to accurately  
27 reflect organization of tasks.
  - 28 • Establishing like classifications and titles for all locations  
29 covered by the Agreement where work responsibilities are the  
30 same.
- 31 3. If a Committee member is required to visit a Primary Location to fulfill  
32 a Corporate Jobs Committee commitment, the appropriate Committee  
33 members shall be notified and participate as appropriate in any  
34 business involving that visit.

- 1 4. The Committee shall report to the Union and the Company on the job  
2 classification system, together with the suggestions of the Committee  
3 members for changes thereto. The results of the Committee's work  
4 will be available to the Union and the Company to facilitate future  
5 negotiations.
- 6 5. The chairs may, from time to time, jointly recommend the adoption by  
7 the Union and the Company of changes in the job classification system.  
8 Such recommendations, however, shall be wholly advisory and shall  
9 not reopen the Collective Bargaining Agreement or affect Article 2  
10 thereof.
- 11 6. To create a proper environment for the Committee's work, the  
12 Committee's proceedings shall not be used as the basis for, nor as  
13 evidence in, any proceedings under Article 19 of the parties' Collective  
14 Bargaining Agreement.
- 15 7. The Committee shall function through the life of the Bargaining  
16 Agreement.
- 17 8. The Union and the Company chairs will establish the Committee  
18 meeting locations, schedules, and procedures. The Union and the  
19 Company shall bear the expenses of their respective Committee  
20 members and shall share equally in all other costs incurred by the  
21 Committee.

22 Dated: September 13, 2024

1   **LETTER OF UNDERSTANDING NO. 11**

2   **SUBJECT: OVERTIME**

3       It is understood that the authority of the Company to require overtime work,  
4       established by Section 6.10 of the Collective Bargaining Agreement, is  
5       necessary for business planning and meeting operational objectives. The  
6       parties recognize, however, that the exercise of this authority may affect  
7       employee productivity.

8       Accordingly, the Company and the Union agree, subject to the exceptions  
9       noted below, that the authority conferred by Section 6.10 of the Agreement  
10      shall hereinafter be limited as follows. No employee shall be required to  
11      work overtime in excess of the following limits:

12                           **Quarterly Limit**

- 13               • The limit shall be one hundred twelve (112) overtime hours in any  
14               budget quarter;

15                           **Weekend Limit**

- 16               • Employees shall not be required to work consecutive weekends  
17               irrespective of whether work on the previous weekend was  
18               voluntary or designated;
- 19               • Overtime work on either a Saturday and a Sunday, or on a Saturday  
20               or a Sunday, shall constitute a weekend worked;
- 21               • The limit for overtime on a Saturday or a Sunday shall be eight (8)  
22               hours.

23                           **Weekday Limit**

- 24               • Employees shall not be required to work more than two (2)  
25               overtime hours on any weekday. However, an employee may be  
26               required to perform weekday overtime work beyond this limit  
27               where necessary for emergent production situations or critical line  
28               moves.

29                           **Holidays**

- 30               • All overtime on a holiday as set forth in Section 7.1 of the parties'  
31               Collective Bargaining Agreement or on the weekend which  
32               immediately precedes a Monday holiday or immediately follows a  
33               Friday holiday shall be voluntary.

34      All overtime in excess of the above limits shall be strictly on a voluntary  
35      basis and no employee shall suffer retribution for his/her refusal or failure to  
36      volunteer. An employee may be required to perform overtime work beyond  
37      the above limits where necessary for delivery of an airplane which is on the

- 1 field, for customer-requested emergency repair of delivered products, or for  
2 Government DX or Government DO rated orders. In addition, an employee  
3 may be required to perform overtime on a holiday or on the weekend which  
4 immediately precedes a Monday holiday or immediately follows a Friday  
5 holiday where necessary for facilities maintenance.
- 6 The Company will brief the Union semi-annually of its anticipated program  
7 scheduling and its forecasted overtime requirements.
- 8 Dated: September 13, 2024

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**LETTER OF UNDERSTANDING NO. 12**

**SUBJECT: MEANING OF SECTION 19.3 OF COLLECTIVE  
BARGAINING AGREEMENT**

The Union and the Company have agreed in Section 19.3 of the Collective Bargaining Agreement that any dismissal or suspension of an employee who has committed a sex crime victimizing a child or children shall be deemed to be for cause and shall not be subject to the grievance and arbitration procedure of Article 19. This Agreement is based on both parties' recognition of (1) the growing awareness and abhorrence in our society of crimes victimizing children, and (2) the deleterious effect the presence in the work force of perpetrators of such crimes would have on the efficiency and morale of employees of the Company and on the reputation of the Company and its products.

The Union and the Company further agree as follows:

1. For purposes of Section 19.3 of the Collective Bargaining Agreement and this Letter of Understanding, the term "sex crime victimizing a child or children" includes rape, sexual assault, statutory rape, incest, child molestation, child pornography, public indecency, indecent exposure, indecent liberties, communications with a minor for immoral purposes, promoting prostitution, and similar crimes as defined in the jurisdiction in which the offense is committed, where the victim of said crime(s) is under the age of 18 years at the time of the commission of the crime(s). An employee shall be considered to have committed such a crime if the employee is convicted of the crime, or if the employee enters a special supervision program pursuant to a deferred prosecution arrangement relating to the crime.
2. The provision of Section 19.3 of the Collective Bargaining Agreement referred to herein and this Letter of Understanding shall not be deemed to define "cause" or to affect Article 19 in any other respect whatsoever, and shall not be introduced or relied upon in any arbitration or other proceeding involving the parties which does not deal with the suspension or dismissal of an employee who has committed a sex crime victimizing a child or children.

Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 13**

2                                   **SUBJECT: TIME LIMITS IN SECTION 19.3**

3       The parties agree that the seven (7)-workday time limit for filing of a written  
4       grievance in the case of dismissals or suspensions shall be interpreted as  
5       follows:

- 6       1.   If the Union's Business Representative, within seven (7) workdays from  
7       the date of the suspension or dismissal, calls the Company's Union  
8       Relations office to request to review the employee's folder, the Business  
9       Representative shall have seven (7) workdays after he reviews the folder  
10      in which to file a written grievance.
- 11      2.   If no written grievance is filed during the additional seven (7)-workday  
12      period specified in paragraph 1, the matter is closed, provided, however,  
13      that if the Business Representative, within the additional seven (7)-  
14      workday period, informs Union Relations that he/she has decided not to  
15      file a grievance, the matter will remain open for fourteen (14) more  
16      workdays to allow the employee to appeal the Business Representative's  
17      decision. If the employee does not appeal, the matter is closed. If the  
18      employee does not appeal, but no written grievance is filed within the  
19      additional fourteen (14)-workday period, the matter is closed.

20      Dated: September 13, 2024



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**LETTER OF UNDERSTANDING NO. 14**

**SUBJECT: DUES DEDUCTION AUTHORIZATION**  
**FOR WICHITA UNIT**

I hereby assign to Aeronautical District Lodge No. 70 of the International Association of Machinists and Aerospace Workers, and authorize and direct The Boeing Company to deduct from wages due me each month, commencing with the month of \_\_\_\_\_, 20\_\_\_\_, my monthly dues for membership in, and/or financial support of, said District Lodge in accordance with the Constitution of the International Association of Machinists and Aerospace Workers and communicated to said Company, and all amounts as provided for during any month by the Collective Bargaining Agreement or amendments between the Company and the Union then in effect. This assignment and authorization shall also include an initiation or reinstatement fee in the amount of \$\_\_\_\_\_, which is to be deducted from wages due me in the month of \_\_\_\_\_, 20\_\_\_\_. These deductions shall be made payable to, and be remitted to the Secretary-Treasurer of said District Lodge.

This assignment and authorization shall be irrevocable for a period of one (1) year from the date hereof or until the termination date of any applicable collective bargaining agreement, whichever occurs sooner, and shall automatically be renewed as an irrevocable assignment and authorization for successive yearly or applicable collective bargaining agreement periods thereafter, whichever is the lesser unless I give written notice, by certified mail, of revocation to The Boeing Company and the Union not more than twenty (20) and not less than five (5) days prior to the expiration of each yearly period or of each applicable Collective Bargaining Agreement, whichever comes sooner.

I expressly agree this assignment and authorization is independent of, and not a quid pro quo for, union membership and shall continue in full force and effect even if I resign my membership in the Union, except if properly revoked in the manner prescribed above.

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Employee Signature

32     Dated: September 13, 2024

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**LETTER OF UNDERSTANDING NO. 15**

**SUBJECT: JOINT COMMITTEE ON HEALTH CARE COSTS AND QUALITY**

The Company and the Union are committed to ensuring that employees have access to cost effective, quality health care coverage. Because of their ongoing concern about the quality of health care and costs, the parties agree to a Joint Committee on Health Care Costs and Quality. The Committee will have an equal number of representatives, including a co-chair, from each party. When appropriate, health care experts and representatives from the Company's health plans will be invited to attend Committee meetings. Each party may have their benefits consultants and advisors attend Committee meetings. The Committee will meet at least twice each year to discuss issues related to the health care program. The Committee also will meet with health care providers to express the parties' interest in obtaining quality health care at affordable prices. Among the topics that the parties will consider and discuss are:

- Costs under the Company’s medical plans.
- Overall plan design.
- Provider accessibility.
- Efficient use of health care resources by consumers.
- Cost management programs to address specific cost areas, including:
  - Disease management of selected high-cost chronic diseases.
  - Targeted health risk assessment.
  - Catastrophic case management.
  - Pharmaceutical management.
- Measurement tools for evaluating health plans’ and providers’ efficiency, including but not limited to programs of the National Academy of Sciences and National Quality Forum as well as accreditation from nationally recognized groups such as the National Committee for Quality Assurance (NCQA) or the Foundation for Accountability (FACCT).
- Benchmark data from other employers.
- Opportunities to work with other employers, unions or other parties interested in obtaining quality health care at affordable prices.

1 The Company and the Union also will undertake initiatives to expand health  
2 care plan accountability for quality and efficiency. Among these initiatives  
3 will be:

- 4 • Provider performance reporting on quality and efficiency to  
5 encourage use of the highest quality providers, including those who  
6 meet the highest patient safety standards.
- 7 • Joint Company and Union meetings with health care plan  
8 administrators to understand their criteria for identifying high  
9 performance providers and to strongly recommend and offer  
10 advisory information in support of the development of high  
11 performance provider networks.
- 12 • Provider programs focused on specific high-yield quality  
13 innovations shown to substantially improve patient safety.
- 14 • Computerized physician order entry. Physicians will be required to  
15 enter prescriptions into a hospital database to screen for  
16 inappropriate medications and dosages and avoid potential adverse  
17 drug reactions/interactions.
- 18 • Evidence-based hospital referral. Physicians will be required, where  
19 practical, to guide patients to facilities with superior outcomes  
20 (linked to significantly lower patient mortality).
- 21 • ICU physician staffing. Where available, physicians who are critical  
22 care specialists will provide ICU care.

23 To encourage plan participants to use the highest quality health care  
24 available, it is the intent that the Company will provide education to  
25 employees regarding the effectiveness of physicians, hospitals and other  
26 health care providers as it becomes available.

27 The Company and the Union are committed through these and other  
28 initiatives to improve quality and maintain reasonable costs, and they will  
29 recognize and endorse contracting decisions with physicians, hospitals and  
30 health plans based on compliance with these joint initiatives.

31 Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 16**

2                                   **SUBJECT: SECTION 6.10(b) OF COLLECTIVE**  
3                                   **BARGAINING AGREEMENT**

4   The Company and the Union agree that Section 6.10(b) of their Collective  
5   Bargaining Agreement shall be administered as follows:

- 6   1.   With respect to Subparagraph 6.10(b)(1), the Company's practice is to  
7       seek volunteers for the advance scheduling of overtime within the shop  
8       and shift.  However, the parties agree that an exception may be made  
9       for certain assignments where the employee regularly assigned to either  
10      the job, crew or position is the appropriate individual to perform the  
11      work of the overtime call-out.  Therefore, the parties agree that in order  
12      to ensure that the employee regularly assigned to either the job, crew or  
13      position is designated to work the overtime pursuant to Subparagraph  
14      6.10(b)(1)(a) only when he/she is the appropriate individual, such  
15      designation may be made only if it is approved by the Director or his/her  
16      delegate, the delegate being at least one (1) level above the employee's  
17      immediate supervisor.
- 18   2.   With respect to Subparagraph 6.10(b)(2)(f) the parties agree that the  
19       reference to deficient schedule performance or work quality being  
20       "currently documented" shall mean a Corrective Action Memo.  In order  
21       to be used under Subparagraph 6.10(b)(2)(f), a Corrective Action Memo  
22       must state the period, not to exceed ninety (90) days, it will remain in  
23       effect and may serve as a basis for exclusion from overtime  
24       consideration only during that period.
- 25   3.   The Company will provide notification of designated weekend overtime  
26       no later than the first rest break on Thursday.  When emergent situations  
27       arise following first rest break, notification of such overtime will be  
28       provided as soon as possible.
- 29   4.   The Company will provide notification of designated weekday overtime  
30       no later than first rest break for post-shift overtime on the day that  
31       overtime is to be worked.
- 32   5.   The Company will provide notification of designated weekday overtime  
33       no later than last rest break for pre-shift overtime to be worked the  
34       following day.

35   Dated: September 13, 2024

1                               **LETTER OF UNDERSTANDING NO. 17**

2               **SUBJECT: MODIFIED IN-LINE PROMOTION FOR CERTAIN**  
 3                               **JOB TITLES**

4       The parties agree that career growth and promotional opportunities for  
 5       qualified employees will benefit both the Company and employees. The  
 6       parties acknowledge that in some job titles, the Category B process set forth  
 7       in Section 22.1(b) of this Agreement does not consistently result in the  
 8       promotion of employees who possess the technical skills and expertise to be  
 9       successful in the open job in the normal line of promotion.

10       Accordingly, the parties agree that with respect to the job titles listed below,  
 11       the parties will jointly develop minimum qualifications/requirements that  
 12       employees in the job family must meet prior to filing an effective application  
 13       to the personnel section for the open job title and designated shift, pursuant  
 14       to Section 22.1(b)(2). The provisions of Sections 22.1(b)(1), 22.1(b)(3), and  
 15       22.1(b)(4) will continue to apply. The minimum qualifications/requirements  
 16       for each job title will be jointly established within one year of contract  
 17       ratification.

18       Once a candidate in the job family meets the minimum  
 19       qualifications/requirements, the candidate may submit his or her request for  
 20       an upgrade. When the next job opening occurs, the senior candidate who  
 21       has met the minimum qualifications/requirement will be selected. In some  
 22       cases, upon meeting the minimum qualifications/requirements, the  
 23       promotion may be immediate.

24                               Job Titles Subject to this Letter of Understanding

25   Facilities Crafts:

- 26   811XX Plumber Maintenance,
- 27   895XX Machine Repair Mechanic,
- 28   C20/861 Electrician Maintenance

29       The parties will meet on a quarterly basis to discuss whether additional job  
 30       titles should be added to, or removed from, this Letter of Understanding  
 31       during the term of this Agreement. Additional job titles shall only be added  
 32       to this Letter of Understanding by mutual agreement of both parties.

33       For all job titles subject to this Letter of Understanding, the Company will  
 34       not select normal line of promotion designated candidates under Section  
 35       22.1(k).

36       Dated: September 13, 2024

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**LETTER OF UNDERSTANDING NO. 18**

**SUBJECT: EXPENDITURE OF FUNDS UNDER  
ARTICLE 16 AND ARTICLE 20**

The parties agree that the Company will provide the necessary funding in support of IAM/Boeing Joint Programs (Joint Programs) activities which include the IAM/Boeing Health & Safety Institute (HSI), the IAM/Boeing Quality Through Training Program (QTTP), the IAM/Boeing Joint Apprenticeship Programs and other activities approved by the IAM/Boeing Joint Programs National Governing Board (Governing Board). The following sets forth the practices which will be followed:

1. The Company will provide in each year fourteen (14) cents for each bargaining unit compensated hour, but not less than sixteen point six (16.6) million dollars per year; funds not spent in one calendar year will carry over to the next year and will continue to carry over for the life of the Agreement. In addition, the Company will provide funding for the QTTP Education Assistance (EA) Program up to four (4) million dollars per year. EA funds not spent in one calendar year will carry over to the next year, and will continue to carry over for the life of the Agreement. The Company and the Union agree to maintain the existing Joint Programs headcount for the life of this Agreement, unless modified by the National Governing Board.
2. The annual funding amounts for Joint Programs shall be determined each September 2 and shall be based on the number of bargaining unit compensated hours in the preceding period of September 2 to September 1. Amounts not spent in one annual period shall carry over to the next year, but not beyond the expiration of the Agreement. Additionally, the Company will provide other funds, as approved by the Governing Board, to support the Joint Programs’ statement of work.
3. All labor and non-labor will be treated according to current Boeing accounting practices.
4. To the extent permitted by law, one or more trust funds will be established pursuant to the Taft-Hartley Act, 29 U.S.C. §186, to contract with the Union for the services of any individual employed by the Union who is named to the administrative staffs established by Section 16.2(b) and Section 20.2(c). The trust(s) shall be established pursuant to a written agreement between the parties which complies with clause (B) of the proviso to 29 U.S.C. §186(c)(5). In addition, the terms of any contract between the trust

1 and the Union shall provide that the Union will be reimbursed for  
2 the services of these individuals on the basis of their base rate plus  
3 actual expenses for payroll taxes and the following employee fringe  
4 benefits: employee per diem; IAM pension plan; package H & W  
5 insurance; Western Metal Trades pension; and automobile  
6 insurance. The Company shall provide funds to the trust in a  
7 sufficient amount and in a timely manner to enable the trust to meet  
8 its contractual obligations to the Union.

9 5. Individuals employed by the Union who are named to an  
10 administrative staff established by Section 16.2(b) or Section  
11 20.2(c) shall be full-time, dedicated to the Joint Programs.

12 6. The Union will be reimbursed in accordance with paragraph 5 for  
13 the services of the individual employed by the Union who is  
14 identified as Executive Director - IAM/Boeing Joint Programs only  
15 to the extent such services are actually rendered on behalf of the  
16 respective Joint Programs.

17 7. The Company will give consideration to the IAM Corporation for  
18 Re-Employment and Safety Training, Inc. (CREST) as a service  
19 provider in support of vocational rehabilitation counseling services.  
20 Such services may include, but are not limited to, job analysis,  
21 master job analysis, completion of reasonable accommodation  
22 review forms, attending doctor appointments, ergonomic  
23 evaluations, light duty meetings, interactive meetings, and  
24 coordination with career advisors for potential job placement.

25 The Company and the Union shall work together to establish the  
26 appropriate point when a vocational rehabilitation counselor will  
27 engage with an IAM represented employee pursuant to those  
28 services outlined above. Any such service may be contracted for  
29 pursuant to paragraph 4 above. The Company shall provide  
30 funding for vocational rehabilitation counseling services in support  
31 of disability management through Vocational Solutions. The  
32 funding shall not exceed three (3) million dollars annually. Such  
33 funding will not extend beyond the expiration of the Agreement.  
34 Funds not spent in one calendar year will not carry over to the next  
35 year.

36 8. The Company agrees to continue funding through December 31,  
37 2024 at the levels previously approved by the National Governing  
38 Board for the 2024 Joint Programs budget.

39 Dated: September 13, 2024

1                                 **LETTER OF UNDERSTANDING NO. 19**

2                   **SUBJECT: ARTICLES 16 AND 20 - CONFIDENTIALITY**  
3   **OF INFORMATION**

4        It is recognized by the parties that a free flow of information between them  
5        is necessary to ensure the success of the IAM/Boeing Health & Safety  
6        Institute and the Quality Through Training Program. Information which  
7        could be disclosed to the Union and to the Union Administrative Staffs  
8        includes information relating to inventions, products, processes, machinery,  
9        apparatus, prices, discounts, costs, business affairs or technical data which  
10       the Company considers as confidential. In furtherance of their objective to  
11       facilitate full participation of the Union in these programs while recognizing  
12       the sensitivity of the Company's confidential information, the parties agree  
13       that any such information shall be held in confidence by the Union and the  
14       Administrative Staff and shall be used by them solely for purposes of these  
15       programs. All Union Administrative Staff shall be provided a copy of this  
16       Letter of Understanding and advised of their obligations under it.

17      Dated: September 13, 2024



1 **LETTER OF UNDERSTANDING NO. 20**

2 **SUBJECT: NC/CNC/ADAPTIVE COMPUTER SYSTEMS**  
3 **AND COMPUTER AIDED WORK STATIONS**

4 The Company and Union agree to the identification and clarification of the  
5 below terms and descriptions as applicable to all Corporate Jobs as identified  
6 in Article 13 of the parties' Collective Bargaining Agreement:

7 **A.** 1. Numerically Controlled/Computer Numerically Controlled  
8 (NC/CNC) or other adaptive computer system machine controls are  
9 synonymous and will be used as such in all existing job  
10 classifications, and shall be incorporated as such into all existing  
11 and future job classifications as appropriate.

12 2. Operators may make adjustments to existing machine control  
13 programs similar and in comparable technical complexity as those  
14 required to manually provide machine instruction such that  
15 machines optimally perform the identified machine tasks.

16 3. Such tasks as described above will not be used or considered as  
17 justification for grade adjustment but are inclusive of current grade  
18 level identification.

19 **B.** Computer aided/assisted work stations such as those using PC's,  
20 computer terminals linked to main frame systems, CATIA or any and/or  
21 all subsequent integrated computer assisted technology systems, which  
22 are used to accomplish currently assigned or similar work assignments,  
23 shall not be used as justification for revision of grade level, but are  
24 considered tools and devices assisting the individual to accomplish  
25 assigned tasks. The actual duties and tasks accomplished by the  
26 individual as a composite in comparison to the classification guides and  
27 representative jobs will be the basis for grade designation as identified  
28 in Article 13 as applied in the Collective Bargaining Agreement.

29 **C.** Such terms will be incorporated into revised or new job descriptions  
30 and/or incorporated into the classification guides and/or Glossary of  
31 Terms and Phrases within the Collective Bargaining Agreement or a  
32 combination of the above.

33 Dated: September 13, 2024

1 **LETTER OF UNDERSTANDING NO. 21**

2 **SUBJECT: NON-TRADITIONAL WORK SCHEDULES**

3 The parties recognize that the efficient use of facilities and machinery is an  
4 integral part of the Company's competitiveness and that the Company's  
5 competitive position is essential to the employment security of its  
6 employees. The parties further recognize that a normal work schedule of  
7 eight (8)-hours-a-day five (5)-days-a-week is not always conducive to the  
8 efficient use of facilities and machinery. Accordingly, the parties agree they  
9 will consider implementing non-traditional work schedules where they deem  
10 it appropriate.

11 While the parties recognize that the details of non-traditional work schedules  
12 will have to be discussed on a case-by-case basis, and that no such schedules  
13 will be implemented except upon mutual agreement by the parties, the  
14 following guidelines will apply:

- 15 1. The workweek and shift times set forth in Article 5 of the parties'  
16 Collective Bargaining Agreement will be adjusted to accommodate  
17 the non-traditional work schedule.
- 18 2. The phrase "assigned shift" will be substituted for "eight (8) hours"  
19 wherever it appears in the parties' Collective Bargaining  
20 Agreement.
- 21 3. Employees who work on their third consecutive day of rest will be  
22 paid overtime on the same basis as their first day of rest.
- 23 4. For those calendar weeks encompassing any of the holidays  
24 observed by the Company, employees assigned to non-traditional  
25 work schedules will be converted for that week to a normal work  
26 schedule.

27 Dated: September 13, 2024

1   **LETTER OF UNDERSTANDING NO. 22**

2   **SUBJECT: PART-TIME WORK SCHEDULES**

3       As a means of extending their commitment to employment stabilization, the  
4       parties have agreed to explore alternate work schedules which could serve  
5       the purposes of potentially reducing the number of layoffs and responding  
6       to the needs of individual employees. One of these alternate work schedules  
7       is a "part-time work schedule" which, for purposes of this Letter of  
8       Understanding, shall mean a fixed weekly work schedule which is less than  
9       the regular forty (40)-hour week. No minimum or maximum number of  
10      hours will be required, but fixed days (other than Saturdays or Sundays) and  
11      hours of work must be established. This Letter of Understanding is strictly  
12      limited to those part-time work schedules which are voluntary by an  
13      employee.

14     Participation in a voluntary part-time work schedule is subject to  
15     management approval which shall be effective for a minimum of ninety (90)  
16     days. In the event that more employees in a particular job classification in a  
17     shop volunteer than can be accommodated, selections will be made on the  
18     basis of seniority. Employees on part-time work schedules covered by this  
19     Letter of Understanding will be subject to all provisions of the parties'  
20     Collective Bargaining Agreement, except as follows:

21               **1. Holidays**

22               Employees are eligible for holiday pay if they are scheduled to  
23               work twenty (20) or more hours in a seven (7)-day cycle or forty  
24               (40) or more hours in a fourteen (14)-day cycle. Payment will be  
25               four (4) hours of holiday pay for each Company holiday, regardless  
26               of calendar day or hours scheduled on the respective holiday.  
27               Employees required to work on a holiday will receive double their  
28               regular rate for the time worked in addition to any holiday pay to  
29               which they are entitled.

30               **2. Overtime**

31               For the first ten (10) hours worked in excess of forty (40) hours in  
32               a workweek, the employee will receive one and one-half times the  
33               base rate; for hours worked in excess of fifty (50) hours in a  
34               workweek, the employee will receive double the base rate. No  
35               overtime will be paid when less than forty (40) hours have been  
36               worked during the workweek. Notwithstanding any provision in  
37               the parties' Collective Bargaining Agreement, employees on part-  
38               time work schedules will not be asked, or permitted, to work on a  
39               Saturday or a Sunday unless all other employees in the same

1 classification in that shop have been offered the opportunity to  
2 perform the work.

3 **3. Other Pay Practices**

4 Employees are eligible for jury duty and witness service pay if they  
5 are scheduled to work twenty (20) or more hours in a seven (7)-day  
6 cycle or forty (40) or more hours in a fourteen (14)-day cycle.  
7 Payment will be four (4) hours for each day served, regardless of  
8 calendar day or hours scheduled on each day served. For purposes  
9 of bereavement leave and report time, the phrase "assigned shift"  
10 will be substituted for "eight (8) hours." Employees on third shift  
11 who are approved for part-time work schedules will be reassigned  
12 to second shift.

13 **4. Group Benefits**

14 Employees on part-time work schedules will be offered an  
15 insurance package consisting of the Traditional Medical Plan and  
16 Incentive Dental Plan. All normal Plan provisions will apply.  
17 Premiums will be paid by the Company on a pro-rated basis, as  
18 determined by scheduled weekly hours as follows:  
19

<b>Pro-Rated Schedule Medical and Dental Coverage</b>	
1-19 hours	Not Eligible for Group Insurance
20-32 hours	70% Paid by Company
33 or more hours	100% Paid by Company

20 Employees eligible for group insurance may either pay the balance  
21 of the premium by payroll deduction or decline coverage entirely.

22 This Letter of Understanding may be cancelled by either party by giving  
23 written notice to the other upon each six (6)-month anniversary of its  
24 execution.

25 Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 23**

2                                   **SUBJECT: FACTORY SERVICE ATTENDANTS**  
3                                   **RATE STRUCTURE REVISION**

4       The Company and the Union agree to the continued inclusion of the 8820A  
5       job classification as part of the approved Corporate job codes. As agreed in  
6       the 1995 Collective Bargaining Agreement this job will replace the existing  
7       88201 and 88202 factory service attendant classifications. Effective  
8       September 13, 2024, the Labor Grade "A" will have a minimum rate of  
9       \$20.00 per hour with a maximum rate of \$26.79 per hour. The Labor Grade  
10      "A" will only be applicable to the 8820A classification. All provisions of  
11      Article 6 of the parties' current Collective Bargaining Agreement ("this  
12      Agreement") will apply to employees in this classification who are not at the  
13      rate maximum. For those employees who are at the maximum rate any  
14      general wage increases provided for in Subparagraph 6.3(b)(2), (3) and (4)  
15      will be paid as lump sums equivalent to the agreed upon general wage  
16      increase percentage. The lump sums will be paid as a percentage of  
17      bargaining unit gross earnings. Bargaining unit gross earnings are defined  
18      as that portion of an employee's total earnings while in the bargaining unit  
19      which is computed at the employee's base rate plus cost of living adjustment  
20      rate, shift differential rate, and non-regular workweek premium rate, as  
21      applicable, on regular and overtime hours worked, overtime bonus hours,  
22      third shift bonus hours, team leader premium, sick leave hours (including  
23      those paid from FSP funds), vacation hours, holiday hours, report time hours  
24      and leave with pay hours. All other payments to an employee, imputed or  
25      otherwise, are excluded from the definition of bargaining unit gross  
26      earnings. The rate range maximums will be adjusted in accordance with  
27      Section 6.4 of this Agreement, if applicable.

28     The 8820A classification applies only to newly hired employees and those  
29     individuals placed in this classification through any means other than the  
30     exercise of contractual rights provided by Article 22 of the Agreement. This  
31     job may not be populated while there are employees with Category A rights  
32     to the 88201 and 88202 job classifications.

33     Labor Grade "A" is not covered in the classification guides for labor grades  
34     one through eleven, but is to be assigned as stated in this Letter of  
35     Understanding.

36     Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 24**

2                                   **SUBJECT: CHILD DEVELOPMENT PROGRAM**

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

10    As one element of the Program, the Company has, in coordination with the  
11    Union, established two (2) near-site day care centers (Everett and Renton).  
12    The day care centers are operated by a third party with fees charged to  
13    participating employees geared at an operations break even level.

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

22    Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 25**

2                                   **SUBJECT: IAM/BOEING JOINT PROGRAMS**  
3                                   **EDUCATION ASSISTANCE PROGRAM/LEARNING TOGETHER**

4                    The Union and the Company recognize that to achieve a highly skilled and  
5                    motivated workforce the parties must create an environment conducive to  
6                    learning opportunities. To that end, Joint Programs created a financial  
7                    assistance program named Education Assistance. This jointly administered  
8                    program provides easy access to financial aid to IAM bargaining unit  
9                    employees pursuing additional education.

10                  The Company has implemented a financial assistance program named  
11                  Learning Together. This program is similar in scope to Education  
12                  Assistance, but provides restricted stock awards not available to Education  
13                  Assistance participants, and unlike Education Assistance has no fund  
14                  limitations. In addition, Learning Together is made available to all Boeing  
15                  employees.

16                  In the spirit of joint cooperation, the Union and the Company agree to the  
17                  following:

- 18                  • Learning Together and Education Assistance will co-exist.
- 19                  • Education Assistance will continue to be co-managed by the Union  
20                  and the Company through Joint Programs.
- 21                  • Joint Programs will administer Education Assistance for IAM  
22                  participants at District W24, District 70, and District 751.
- 23                  • Participants will receive the most favorable benefits of either  
24                  Learning Together or Education Assistance.
- 25                  • Participants' cost within Learning Together Guidelines will be  
26                  borne by Learning Together.
- 27                  • IAM participants who complete doctorate, masters, bachelors,  
28                  and/or two-year associate degrees will be awarded restricted stock  
29                  in units identical to those awarded in Learning Together.

30                  Dated: September 13, 2024

## LETTER OF UNDERSTANDING NO. 26

### SUBJECT: ADMINISTRATION OF JOINT PROGRAMS

1     **A. IAM/Boeing Joint Programs National Governing Board.** The Union  
2     and the Company agree to establish the IAM/Boeing Joint Programs  
3     National Governing Board (Governing Board) comprised of five (5)  
4     representatives from each party. The Union representatives will include  
5     the IAM/Boeing Aerospace Coordinator, the Directing Business  
6     Representatives from District 751, 70 and W24, and the Union's Joint  
7     Programs Executive Director. The Company's representatives will  
8     include four (4) Senior Executives and the Company's Joint Programs  
9     Executive Director. The Joint Programs Executive Directors will be  
10    non-voting members of the Board.

11    The Chair of the Governing Board shall serve a one (1)-year term and  
12    rotate between the Directing Business Representative of District Lodge  
13    751 and a Boeing Senior Executive.

14    The Governing Board will provide general direction and guidance and  
15    establish policy for the IAM/Boeing Joint Programs (Joint Programs). In  
16    addition, the Governing Board shall establish the annual budgets and  
17    approve expenditures of funds as outlined in the parties' Letter of  
18    Understanding No. 18, entitled Expenditure of Funds under Article 16  
19    and Article 20.

20    The Governing Board shall meet twice a year to approve Joint Programs  
21    activities and assess if progress is being made towards accomplishing the  
22    Mutual Objective of the Joint Programs.

23    **B. IAM/Boeing Joint Programs Executive Directors.** The parties  
24    recognize that an efficient administrative support process is essential to  
25    attaining the goals of the IAM/Boeing Health and Safety Institute (HSI),  
26    the IAM/Boeing Quality Through Training Program (QTTP), the  
27    IAM/Boeing Joint Apprenticeships, and any other joint efforts the parties  
28    may establish. In order to further this process, the parties have  
29    established the positions of IAM/Boeing Joint Programs Executive  
30    Directors. The Union and the Company shall appoint their respective  
31    parties' Executive Director. As directed by the IAM/Boeing Joint  
32    Programs National Governing Board, the Executive Directors will  
33    provide oversight for day-to-day operations of the Joint Programs and  
34    will coordinate the activities of the administrative staffs established by  
35    Sections 16.2(c) and 20.2(c) of the parties' Collective Bargaining  
36    Agreement, the IAM/Boeing Joint Apprenticeship Program, and Section  
37    C of this Letter of Understanding No. 26.



1 **C. IAM/Boeing Joint Programs Administrative Staff – Co-Directors.**

2 The Union and the Company acknowledge the need for enhanced  
3 support of Joint Programs services. Therefore, the parties agree to  
4 maintain IAM/Boeing Joint Programs Co-Director positions. The Union  
5 and the Company shall appoint their respective parties' Co-Directors.  
6 The Co-Directors, as coordinated by the Executive Directors, will  
7 provide leadership for the IAM/Boeing Health & Safety Institute, the  
8 IAM/Boeing Quality Through Training Program, the IAM/Boeing Joint  
9 Apprenticeships and any other programs as approved by the National  
10 Governing Board.

11 **D. IAM/Boeing Joint Programs Administrative Staff – HSI/QTTP/  
12 Apprenticeships.**

13 The combined HSI/QTTP/Apprenticeships  
14 Administrative Staff will be comprised of a minimum of nine (9)  
15 individuals named by each party. At least one (1) individual of each  
16 party shall be from the Wichita and Portland primary locations and will  
17 provide support for both the IAM/Boeing HSI and the IAM/Boeing  
18 QTTP programs, and the IAM/Boeing Joint Apprenticeships. The  
19 Directing Business Representatives from Districts 751, W24 and 70 will  
be responsible for selecting their respective Union Representatives.

20 The combined Administrative staff, as coordinated by the Executive  
21 Directors, will provide support for the IAM/Boeing Health & Safety  
22 Institute, the IAM/Boeing Quality Through Training Program, the  
23 IAM/Boeing Joint Apprenticeships, and any other programs as approved  
24 by the National Governing Board.

25 Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 27**

2                                   **SUBJECT: ACCELERATED LAYOFF**

3       The Company and the Union agree that, subject to management approval,  
4       employees who have been identified for and notified (either directly or to  
5       the Union) of potential layoff may request acceleration of the anticipated  
6       layoff date provided that management shall grant such a request when such  
7       employees have provided satisfactory proof that they have accepted a job  
8       offer from another employer. Employees whose requests are granted shall  
9       be given a release date of not more than two (2) weeks (fourteen (14)  
10      calendar days) following the date the request was granted.

11     Employees granted an accelerated layoff date shall be regarded as having  
12     Category A rights of recall as set forth in Section 22.9 of the parties'  
13     Collective Bargaining Agreement only upon receipt, following their layoff,  
14     of an effective application as described in Section 22.1(d). Neither Section  
15     22.7 nor 22.10 shall apply to such employees. Employees granted an  
16     accelerated layoff date will be required to sign a form waiving any rights  
17     under the Worker Adjustment and Retraining Notification Act to a full sixty  
18     (60)-day period of employment prior to the layoff.

19     Employees granted an accelerated layoff date will be paid layoff benefits if  
20     they meet the eligibility criteria set forth in Article 23 of the parties'  
21     Collective Bargaining Agreement.

22     Dated: September 13, 2024

## LETTER OF UNDERSTANDING NO. 28

### **SUBJECT: CONTINUOUS PRODUCTIVITY IMPROVEMENT**

- 1 The Union and the Company agree that it is to their mutual benefit in a  
2 competitive global environment, to work together to continuously improve  
3 the production system through productivity improvement activity. The  
4 parties agree that to increase employee understanding, acceptance and  
5 support in the area of productivity improvement, it is in their best interest to  
6 engage IAM/Boeing Joint Programs.
- 7 IAM/Boeing Joint Programs, in support of other Boeing productivity  
8 improvement initiatives and organizations, will develop and initiate  
9 programs and activities in the areas of training, education, and  
10 implementation. This effort will be aimed at improving safety, quality of  
11 work life and overall productivity of the Boeing Production System.
- 12 The parties agree that the Company will provide the necessary funding in  
13 support of the activity stated above. The Company will continue to provide  
14 one (1) million dollars to IAM/Boeing Joint Programs per year. Amounts  
15 not spent in one annual period shall carry over to the next year, but not  
16 beyond the expiration of this Agreement.
- 17 Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 29**

2                                   **SUBJECT: USE OF CAREER GUIDES**

3       The purpose of this Letter of Understanding is to define the scope and usage  
4       of Career Guides, which also includes Career Guide Videos, as developed  
5       by Joint Programs.

6       Joint Programs is responsible for creating and maintaining Career Guides  
7       for IAM job classifications. Career Guides are based on a review of the  
8       work requirements for each job covered by the parties' Collective  
9       Bargaining Agreement in the Puget Sound, Wichita and Portland units.

10      The parties agree that the purpose of the Career Guides is to provide up-to-  
11      date career development and training information for each job. Career  
12      Guides do not redefine Standard Factory Job Descriptions currently utilized  
13      in the existing job classification system. Use of the Guides shall be limited  
14      to Joint Programs career development programs or other programs as agreed  
15      to by the Union and the Company.

16      The parties further agree that no portion of the Career Guides shall be used  
17      as the basis for, or as evidence in, any proceedings under Articles 13, 19, 22,  
18      the Rules Governing Application of Job Descriptions, or the Glossary of  
19      Terms and Phrases of the parties' Collective Bargaining Agreement.

20      Dated: September 13, 2024

1 **LETTER OF UNDERSTANDING NO. 30**

2 **SUBJECT: STUDENT DEVELOPMENT AND TECH PREP**  
3 **STUDENTS**

4 The Boeing Company in 1993 started a comprehensive program for high  
5 school students leading to a Manufacturing Technology Associate Degree  
6 from ten (10) Puget Sound, Portland area, and Wichita community or  
7 technical colleges. This degree program encompasses ten (10) core  
8 competencies which have been validated and verified by 177 manufacturing  
9 companies including The Boeing Company's Puget Sound and Portland  
10 sites. The purpose of this Letter of Understanding is to provide agreement  
11 between Boeing and the IAM concerning the on-site internship for these  
12 college students.

- 13 1. The students' status will be as follows:
- 14 (a) Students will be placed in the internship through an outside  
15 agency, which will be their employer. The internship will last  
16 for no more than 90 days.
  - 17 (b) During their assignment, students will perform production  
18 work and maintenance under the guidance of one (1) or more  
19 IAM-represented employees.
  - 20 (c) The cognizant IAM-represented employees and their  
21 supervisors will make recommendations regarding Boeing's  
22 hiring of students after the internship concludes.
  - 23 (d) Students will be required to donate \$28.00 to "Guide Dogs of  
24 America" during this internship. Such contribution will be by  
25 payroll deduction during the first month of employment.
  - 26 (e) The number of students participating in the "job shadowing"  
27 portion of the Program will not exceed ninety (90) students  
28 each year. These students will not replace IAM-represented  
29 employees or prevent IAM-represented employees from being  
30 recalled from layoff.
- 31 2. The student's work schedule will be Monday through Friday on  
32 either first or second shift, not to exceed forty (40) hours per week.
- 33 3. The students will be paid at the rate of \$16.28, as well as in  
34 accordance with any specified minimum wage laws; whichever is  
35 higher, per hour during their first year within the Program. Rate of  
36 pay per hour during the second year of the Program will be \$17.25  
37 and \$18.25 in their third year of the Program or post-graduation.  
38 Technical or Community College student(s) will be paid \$18.25 for

1 their first year, and \$19.25 for their second year in the Program.  
2 Any minimum wage laws will be adhered to should minimum rates  
3 exceed these specified amounts.

- 4 4. The students are not Boeing employees and thus will not be eligible  
5 for any benefits, including but not limited to medical and dental  
6 coverage and vacation and sick leave credits, described in the  
7 parties' Agreement.
- 8 5. The parties agree to meet and discuss any concerns that may arise  
9 during the course of this Program with the local Directing Business  
10 Representative. The provisions of Article 19 of the CBA will not  
11 apply to any dispute arising out of this Letter of Understanding.
- 12 6. Two hours of a new student's internship shall be devoted to safety  
13 education and orientation provided by the local Health and Safety  
14 Institute Site Committee. This education and orientation shall  
15 include but not be limited to personal protective equipment use,  
16 emergency evacuation, shelter-in-place procedures and machine  
17 guarding.

18 Dated: September 13, 2024

1   **LETTER OF UNDERSTANDING NO. 31**

2                   **SUBJECT: MACHINISTS CUSTOM CHOICES VOLUNTARY**  
3   **BENEFITS**

4           The Company agrees to provide a payroll deduction service to IAM-  
5           represented employees who choose to purchase employee-paid voluntary  
6           supplemental insurance coverages offered through the Machinists Custom  
7           Choices Worksite Benefits program. Such coverage will be provided  
8           through Employee Benefits Systems, Inc. (EBS). The Union agrees to  
9           coordinate different program offerings with the Company before scheduling  
10          open enrollment. It is understood that the Company is not the plan sponsor  
11          and is not responsible for plan administration, enrollment, or  
12          communication.

13          Dated: September 13, 2024

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**LETTER OF UNDERSTANDING NO. 32**  
**SUBJECT: RATIFICATION BONUS**

If this Collective Bargaining Agreement is ratified on or before 11:59 PM on November 4, 2024, the Company agrees to pay a ratification bonus to employees who on September 12, 2024 were covered by the Agreement and on (a) the active payroll on September 12, 2024 (including a leave of absence of ninety (90) days or less) or (b) approved military leave of absence on September 12, 2024 pursuant to Section 6.6(b), even if such military leave of absence is longer than ninety (90) days and (c) for those employees not on leave of absence, returned to work by no later than November 12, 2024. The ratification bonus will be \$12,000, less applicable withholding and will be paid within thirty (30) days of ratification or as soon as administratively feasible. The employee may elect to contribute up to 100% (in whole percentage increments) of the ratification bonus on a pre-tax, Roth or after-tax basis into The Boeing Company 401(k) Retirement Plan (“401(k) Plan”), which contribution will not be eligible for Company matching contributions nor eligible pay for Special Company Retirement Contribution purposes. Such contribution election will be subject to IRS and 401(k) Plan contribution limits and pursuant to procedures established by the Plan Administrator or its delegate or agent established for administering such elections.

Dated: September 13, 2024



1   **LETTER OF UNDERSTANDING NO. 33**

2   **SUBJECT: TEAM LEADER**

3       The parties recognize that certain work groups may benefit from the  
4       designation of an employee as a team leader for the purpose of creating and  
5       maintaining a team environment and coordinating operational issues. The  
6       Company will determine the necessity for, and number of, team leader  
7       assignments. The team leader will serve as the leader of all bargaining unit  
8       employees in the assigned work group, irrespective of the job classifications  
9       of those employees. The selection of a team leader shall not be considered  
10      the establishment of a new job for the purposes of Article 13.

11      The selection of an employee for a team leader assignment shall be made in  
12      the following manner: Employees who meet the minimum criteria for a  
13      team leader assignment will self-nominate for a posted open team leader  
14      assignment. Open team leader assignments will be posted for a minimum  
15      of five (5) work days. A structured interview will be utilized to select  
16      recommended candidate(s). If the posted team leader assignment is filled  
17      by the Company, and there are two or more recommended candidates for the  
18      assignment, the recommended candidate with the greatest bargaining unit  
19      seniority will be selected. The provisions of Article 13 and 22 shall not  
20      apply to such selection.

21      An employee selected for a team leader assignment shall be paid a premium  
22      of \$2.00 per hour above his/her current base rate.

23      Employees assigned as team leaders shall not formally appraise the work of  
24      other employees or make, as a result of solicitation by their supervisor,  
25      recommendations concerning employment, release, transfer, upgrade, or  
26      disciplinary action relative to other employees, be directly responsible for  
27      the quantity or quality of work produced by other employees, be responsible  
28      for the assignment of overtime within the shop, be required or allowed to  
29      take attendance for other than purposes of making detailed work allocations,  
30      or be responsible for handing out paychecks. When authorized by the  
31      Company, a team leader may delegate a portion of his/her allocated work to  
32      employees in the team leader's group.

33      Current leads will not lose grade or pay as a direct result of team leader  
34      assignments.

35      The parties agree to form a committee, as needed, consisting of an equal  
36      number of Company and Union Representatives. The committee will review  
37      the existing team leader selection process and discuss whether additional  
38      training should be provided to bargaining unit employees who seek Team

1 Leader assignments and/or to existing Team Leaders for skill enhancement.  
2 The committee will meet for the duration of this Agreement.

3 Nothing in this Letter of Understanding will be subject to the grievance and  
4 arbitration procedure in Article 19, with the exception of the seniority-based  
5 selection of recommended candidates. Additionally, nothing in this Letter  
6 of Understanding will alter or impact the Company's right to select any  
7 bargaining unit employee for a temporary team leader assignment for a  
8 period of time not to exceed ninety (90) days, unless Union concurrence for  
9 additional time is granted (i.e. LOA, temporary manager coverage, etc.).  
10 Repetitive temporary team leader assignments shall not be used to fill a  
11 permanent opening.

12 The following issues may be appealed by the Union through Step 3 of the  
13 grievance procedure set forth in Section 19.2 of the Agreement, but will not  
14 be subject to arbitration: (1) the Company's decision to discontinue the  
15 assignment of any bargaining unit employee selected for a team leader  
16 position; (2) a team leader progress review; and (3) the duration of a  
17 temporary team leader assignment.

18 Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 34**

2                   **SUBJECT: MATERIALS DELIVERY AND INVENTORY**  
3                                   **PROCESS**

4       Except where vendors are already performing the work, all receiving,  
5       inventory, distribution tracking and acquisition of parts, materials, tools, kits  
6       and other goods or products consistent with bargaining unit job descriptions  
7       shall be performed by bargaining unit employees. Suppliers or vendors are  
8       not permitted to install parts or components on the airplane, unless the  
9       vendors or suppliers are correcting errors or performing warranty work.

10      Dated: September 13, 2024

1 **LETTER OF UNDERSTANDING NO. 35**

2 **SUBJECT: SI&A / MSE INFRASTRUCTURE, ROLES**  
3 **AND RESPONSIBILITIES**

4 Self-Inspection and Acceptance (SI&A) / Manufacturing Self Examination  
5 (MSE) is the process of having the employee who made the product, or  
6 performed the task, also check the product or task data, and indicate that the  
7 product/task conforms to requirements. This is indicated by having the same  
8 employee stamp off his or her work as conforming to requirements.

9 In February, 2001, a joint IAM/Company committee was formed in an effort  
10 to facilitate resolution of issues and concerns regarding implementation and  
11 maintenance of SI&A programs. The committee's charter was and is to  
12 work together to improve the SI&A implementation and maintenance  
13 process. As further described below, the committee will remain available as  
14 a resource to provide guidance and direction for the Site Representatives as  
15 necessary. This committee shall be referred to as the SI&A Leadership  
16 Committee.

17 The committee recommended changes to improve SI&A / MSE  
18 implementation and maintenance processes. It reviewed currently  
19 implemented areas and met with affected employees to establish some of the  
20 existing best practices and areas of concerns. This provided the insight to  
21 make improvements in several areas. The committee also developed and  
22 implemented improvements to our procedures and infrastructure for SI&A /  
23 MSE, and identified and documented the type of environment required to  
24 foster successful implementation. To accomplish those changes, the  
25 committee modified the procedures to provide criteria for implementation  
26 readiness evaluation, for monitoring progress to ensure sustainability of the  
27 program, and identification of the environmental factors that will lead to  
28 successful implementation of SI&A / MSE programs.

29 The primary purpose of this Letter is to define the roles, responsibilities and  
30 interaction within the SI&A / MSE infrastructure.

31 **Site Representatives**

32 Each site having implemented or that is in the process of implementing  
33 SI&A / MSE will have two (2) Site Representatives, one (1) from the  
34 Company and one (1) from the Union, to be appointed by their respective  
35 leadership. Additional Site Representatives may be added upon mutual  
36 agreement between the Company and the Union. These individuals should  
37 be (or be interested in becoming) an SI&A / MSE subject matter expert. It  
38 is expected that they will have completed all SI&A / MSE prerequisite

1 courses and have had exposure to SI&A / MSE. They should have excellent  
2 conflict resolution and communication skills.

3 The Site Representatives' primary responsibilities are to act as a resource to  
4 the employees, management, and area committees; to provide information  
5 and perform monitoring activities; to attend meetings and participate as  
6 required; and to resolve issues and concerns elevated to them by area  
7 committees. They will also help coordinate and participate in area SI&A /  
8 MSE overview presentations. They will need to stay informed of SI&A /  
9 MSE implementation progress and issues across BCAG & IDS as a network,  
10 to identify and spread "best practices" tools, and to encourage  
11 communication.

12 The Company will provide a reasonable amount of time for the Site  
13 Representatives to perform their required duties. As determined by the  
14 SI&A Leadership Committee, training and education requirements will be  
15 provided to the Site Representatives.

### 16 **Area Management**

17 Area management will provide active support for the implementation and  
18 maintenance of SI&A / MSE by fostering an environment that encourages  
19 engagement and supports the desired culture and values identified as keys  
20 for success.

### 21 **Area Committees**

22 The area committees have the primary responsibility for implementation and  
23 ongoing maintenance of SI&A / MSE in a specific shop or work area. The  
24 area committees should decide the meeting frequency and include at least  
25 the following functional representation: Quality & Manufacturing IAM  
26 members and management. Additional participants, such as Quality  
27 Engineering and Manufacturing Engineering, will be asked to participate as  
28 needed and determined by the Area Committee. The area manager and the  
29 Site Representative will work together to select area committee members.  
30 The active involvement of each of these team members is critical to success,  
31 and adequate time should be allowed to ensure this involvement takes place.  
32 The number of committee members should be appropriate to the size and  
33 complexity of the implementation work statement. Their responsibility is to  
34 work with Quality Engineering in assessment of the suitability of SI&A /  
35 MSE for the work area statement.

36 This assessment should include consideration of work content as well as  
37 current process capability and control. The area committee must ensure  
38 adequate employee involvement and understanding of the SI&A / MSE  
39 process. This includes addressing any concerns or issues and elevation of  
40 unresolved issues to the Site Representatives for assistance. The area

1 committee will provide input and oversee the initial and ongoing employee  
2 training and assessment processes to ensure each individual's skill and  
3 knowledge is adequate to perform the SI&A / MSE function and that any  
4 knowledge gaps are constructively addressed through additional training.  
5 Additionally, they may be involved in the development of training as  
6 required. After implementation of SI&A / MSE, the responsibility of the  
7 committee will change from active engagement in the development process  
8 to that of monitoring success and resolving concerns. In this role they can  
9 suggest improvements and handle questions or concerns by resolving locally  
10 or elevating to the Site Representatives for assistance. The area committee  
11 will also keep the Site Representatives informed on general implementation  
12 progress and ongoing maintenance so that they will be able to identify "best  
13 practices" and communicate to the Site Representative network.

14 **Training Programs**

15 IAM/Boeing Joint Programs, may assist in the development of and  
16 implementation of education, training and retraining needs to support those  
17 organizations implementing SI&A / MSE.

18 This Letter, together with PRO-1125, Self-Inspection and Acceptance  
19 Requirements and BPI-298 Self Inspection and Acceptance, and/or the  
20 D950-10306-1 IDS site specific MSE command media, is intended to  
21 provide the framework necessary for successful implementation. It is the  
22 expectation of this committee that all parties involved in the implementation  
23 and maintenance of SI&A / MSE will adhere to the guidelines and principles  
24 described in PRO-1125 and BPI-298, and/or the D950-10306-1 IDS site  
25 specific MSE command media.

26 Any concerns regarding LOU 35 SI&A / MSE Infrastructure, Roles and  
27 Responsibilities may be addressed by the Union in LOU #48 Quality and  
28 Safety, inclusive of the BCA QMS Advisory Board and the Inspection  
29 Management Board.

30 Dated: September 13, 2024

1                                 **LETTER OF UNDERSTANDING NO. 36**

2                 **SUBJECT: JOINT COMMITTEE TO STUDY EMPLOYMENT**  
3                                 **STABILIZATION**

4         The Company and the Union are committed to studying the feasibility of  
5         mitigating the disruption that results from large hiring and layoff cycles. The  
6         parties agree to form a Joint Committee to study employment stabilization.  
7         The Committee will have an equal number of representatives, including a  
8         co-chair, from each party. The Committee will study approaches that will  
9         keep employment levels stable and cost effective during layoff and hiring  
10         cycles. The Committee will complete its study within twelve (12) months  
11         of the ratification of this Agreement.

12         Any recommendations reached by the Committee will be implemented only  
13         upon the mutual agreement of the parties.

14         Nothing in this Letter of Understanding will impact, limit or impair either  
15         party's rights under this Agreement.

16         Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 37**

2     **SUBJECT: JOINT UNION/BOEING EXECUTIVE COMMITTEES**

3     The Company and the Union seek to foster a collaborative relationship that  
4     improves communication, transparency, and mutual understanding of the  
5     issues impacting the long-term success of the Company and its IAM  
6     workforce. The Union acknowledges the Company's responsibility to make  
7     strategic decisions that ensure its long-term financial health and  
8     competitiveness. The Company acknowledges the significant contributions  
9     and valuable perspectives of the Union and its members to the success of the  
10    Company. In consideration of the foregoing, and in addition to the Joint  
11    Council, the parties agree to the following:

12    **Boeing Board of Directors – Aerospace Safety Engagement**

13    The Company will commit to providing an annual meeting with the  
14    Directing Business Representative/President(s) of IAM 751 and W24 and  
15    Boeing's Aerospace Safety Standing Committee Chair to discuss safety  
16    related issues or concerns.

17    **Senior Executive Labor-Management Committee (“SELMC”)**

18    The SELMC shall be established and meet semiannually to review and  
19    discuss key elements of the business and workforce. Both parties agree to  
20    open collaboration, exchange of ideas, and candid dialogue with the mutual  
21    goal of improving the competitive position of the Company, fostering the  
22    relationship between the Company and the IAM, and working to maintain  
23    and develop the workforce.

24    The SELMC will focus on matters relating to the Company's strategic  
25    direction, including market and competition; changes in the external  
26    environment impacting the Company; future product and production system  
27    development; Quality Management System and Safety Management  
28    System.

29    Participants in this forum will include the CEO of the Company, BCA CEO,  
30    BCA Vice President of Product Development, BCA Vice President of  
31    Airplane Programs, BCA Vice President of Manufacturing and Safety, BCA  
32    Vice President of Quality, BCA Vice President of Government Operations,  
33    Vice President of Labor Relations, and Directing Business  
34    Representative/President(s) of IAM 751 and W24.

35    **Joint Council**

36    A Joint Union/Boeing Council ("Joint Council") shall include Directing  
37    Business Representative/President(s) of IAM 751 and W24 and  
38    representatives from Boeing Leadership, including Vice President of



1 Fabrication, Vice President of Manufacturing and Safety, Vice President of  
2 Quality, Labor Relations, and Human Resources.

3 The Company and the Union will meet, on a monthly basis, to review and  
4 discuss key elements of the business and workforce including market and  
5 competition; performance including quality, safety, productivity, schedule  
6 and cost; QMS Advisory Board and Inspection Management Board-related  
7 issues; production rate changes; product development and implications to  
8 the workforce; work transfer; workforce development and training  
9 initiatives; strengthening commitment and relationship to surrounding  
10 community; and overtime. In reviewing productivity, the parties will also  
11 assess areas such as employee engagement/involvement, the job  
12 classification system, multiple machine operation, and the ability to utilize  
13 non-Boeing labor for certain types of work. The Company will also provide  
14 a quarterly report identifying percentages of bargaining unit employees by  
15 racial or ethnicity groupings.

#### 16 **Production Rate Changes**

17 The Company agrees to notify the Union as soon as practicable of significant  
18 production rate adjustments and to provide a summary of the proposed rate  
19 adjustment plans prior to implementation.

#### 20 **Confidentiality for Information Provided Through Committees**

21 Through its contact with the Aerospace Safety Standing Committee, the  
22 Senior Executive Labor-Management Committee, and Joint Council, the  
23 Union will be provided non-public confidential and/or proprietary  
24 information (“Confidential Information”). The Union agrees that any  
25 documents the Company determines are Confidential Information shall be  
26 used only for the purpose of the Union’s representation of employees.  
27 Confidential Information shall be kept confidential by the Union and shall  
28 not be disclosed to any person except those persons who are determined in  
29 the Union’s judgment to have a strict need-to-know, such as Union  
30 representatives and individuals who are the Union’s legal advisors. In the  
31 event of any concern over the mislabeling of certain documents as  
32 confidential and/or proprietary, the parties will work cooperatively to  
33 resolve that concern. Excluding the above, the Union will keep all such  
34 information confidential and not disclose any Boeing confidential and/or  
35 proprietary information to anyone or any outside entity provided through  
36 these committees. The Union will take every precaution to safeguard such  
37 information from inadvertent disclosure.

38 Dated: September 13, 2024

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**LETTER OF UNDERSTANDING NO. 38**

**SUBJECT: INCENTIVE PLAN**

The parties agree that committing to employee engagement is an element of improving the Company’s competitiveness and essential to meeting the objectives and ensuring mutual success. They have agreed to continue providing an Incentive Plan that focuses on improvements in productivity, quality and safety. As a foundation to ensuring the needed improvements are made, the Company is committed to creating an environment of high employee engagement and involvement. The Incentive Plan will provide a means by which eligible bargaining unit employees will be financially rewarded if improvement thresholds are met, while guaranteeing a minimum annual payout of 4% of eligible earnings. The Plan will be subject to all necessary approvals and will be administered in accordance with a separate Plan document. The provisions of Article 19 of the Collective Bargaining Agreement will not apply to any issue or dispute related to the Plan.

Dated: September 13, 2024

1    **LETTER OF UNDERSTANDING NO. 39**

2    **SUBJECT: WORK PLACEMENT**

3                      **737 Work Placement.**

4                      The Company will continue to produce the 737NG models and 737MAX  
5                      models in Renton, to the extent such production can be feasibly completed  
6                      in the current and existing 737 Renton production facilities. The Company  
7                      has also begun planning and preparations to produce the 737MAX on an  
8                      additional production line in Everett, thereby increasing the commitment in  
9                      Puget Sound. The fabrication work currently being performed by bargaining  
10                     unit employees in support of the 737 production will be continued in their  
11                     current and existing facilities in Puget Sound and Portland – again, to the  
12                     extent such production can be feasibly completed in those current and  
13                     existing facilities.

14                     **KC-46 Tanker Work Placement.**

15                     KC-46 Tanker production work currently being performed within the  
16                     Company’s current and existing facilities in Puget Sound will remain.

17                     **P-8 Production Work Placement.**

18                     The Company will continue production of the P-8 program in the  
19                     Company’s current and existing facilities in Puget Sound. The fabrication  
20                     work currently being performed by bargaining unit employees in support of  
21                     the P-8 production work in Puget Sound and Portland will be continued in  
22                     their current and existing facilities in Puget Sound and Portland, to the extent  
23                     such fabrication work can be feasibly completed in those current and  
24                     existing facilities.

25                     **Everett Wide-Body Airplanes.**

26                     The Company intends to continue production of wide-body airplanes in its  
27                     Everett facilities.

28                     **No Impact to Collective Bargaining Agreement.**

29                     Except as expressly provided herein, nothing in this Letter of Understanding  
30                     supersedes or impacts any rights of the parties under the Collective  
31                     Bargaining Agreement, including but not limited to Article 2 and Section  
32                     21.7. Nothing in this Letter of Understanding will impact the Company’s  
33                     rights under Section 21.7 of the Collective Bargaining Agreement to make  
34                     strategic work placement decisions associated with a condition of sale or  
35                     market access, to subcontract or offload work due to lack of capability or  
36                     capacity, to subcontract or offload work to prevent production schedule  
37                     slippage, or to temporarily subcontract or offload work due to emergent  
38                     short term needs.

1 **Duration.**

2 This Letter of Understanding will become effective on the date the contract  
3 has been ratified by the bargaining unit members (“effective date”) and shall  
4 remain in full force and effect until September 7, 2028.

5 Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 40**

2                                   **SUBJECT: 777X WORK PLACEMENT**

3       The Company agrees to continue to locate the 777X wing fabrication and  
4       assembly, final assembly, and major components (fabrication, interiors, and  
5       wires) of the 777X in Puget Sound.

6       The Company will perform the final assembly of the 777X including 777X-  
7       8, 777X-9, and 777X-Freighter in Everett. The 777X wing fabrication and  
8       assembly work will be performed in Puget Sound. The parties agree that the  
9       Company may subcontract or outsource certain 777X wing fabrication and  
10      assembly work packages, in whole or part, in order to create capacity for  
11      other 777X work packages in the Puget Sound facilities, and/or to efficiently  
12      utilize those facilities to accomplish the production and assembly of the  
13      777X.

14      Except as expressly provided, nothing in this Letter of Understanding  
15      supersedes or impacts any right of the parties under the Collective  
16      Bargaining Agreement including but not limited to Article 2 and Section  
17      21.7. Nothing in this Letter of Understanding will impact the Company's  
18      right under Section 21.7 of the Collective Bargaining Agreement to make  
19      strategic work placement decisions associated with a condition of sale or  
20      market access, and to subcontract or offload work due to lack of capability  
21      or capacity, to subcontract or offload work to prevent production schedule  
22      slippage, or to temporarily subcontract or offload work due to emergent  
23      short term needs.

24      This Letter of Understanding will become effective on the date the contract  
25      has been ratified by the bargaining unit.

26      Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 41**

2                                   **SUBJECT: FUTURE WORK PLACEMENT**

3                                   **New Commercial Airplane Model**

4                                   The Union has inquired about the Company’s intentions with regard to  
5                                   launch of a new commercial airplane model, including options for locating  
6                                   such work. The Company recognizes that IAM members perform critical  
7                                   production and fabrication work. While the Company has made no  
8                                   decisions on whether to launch a new commercial airplane model, the timing  
9                                   of any such launch, or overall airplane design and architecture (and thus does  
10                                   not yet know the specific fabrication needs of the new commercial airplane  
11                                   model), the Company agrees that if the Boeing Board of Directors makes a  
12                                   decision to formally launch any new commercial airplane model during the  
13                                   life of the Agreement, the Company commits that with respect to the new  
14                                   commercial airplane model and all derivatives during the life of the program:  
15                                   final assembly, wing fabrication and assembly, major components  
16                                   (fabrication, interiors and wires), fabrication of parts and subassemblies, and  
17                                   delivery operations will be placed and maintained within the Union’s  
18                                   jurisdiction in Puget Sound and Portland.

19                                   **No Impact to Collective Bargaining Agreement.**

20                                   Except as expressly provided herein, nothing in this Letter of Understanding  
21                                   supersedes or impacts any rights of the parties under the Collective  
22                                   Bargaining Agreement, including but not limited to Article 2 and Section  
23                                   21.7. Nothing in this Letter of Understanding will impact the Company’s  
24                                   rights under Section 21.7 of the Collective Bargaining Agreement to make  
25                                   strategic work placement decisions associated with a condition of sale or  
26                                   market access, to subcontract or offload work due to lack of capability or  
27                                   capacity, to subcontract or offload work to prevent production schedule  
28                                   slippage or to temporarily subcontract or offload work due to emergent  
29                                   short-term needs.

30                                   **Duration**

31                                   This Letter of Understanding will become effective on the date that this  
32                                   Collective Bargaining Agreement has been ratified by bargaining unit  
33                                   members (“effective date”) and shall remain in full force and effective until  
34                                   September 7, 2028.

35                                   Dated: September 13, 2024

1 **LETTER OF UNDERSTANDING NO. 42**

2 **SUBJECT: MACHINISTS INSTITUTE**

3 The parties recognize that partnering on training for IAM represented  
4 employees benefits both the Company and the Union. This training may  
5 include ERT courses, safety training courses, mentoring, peer to peer  
6 training, and apprenticeship related supplemental instruction. It also may be  
7 accomplished through training creation, curriculum development, videos,  
8 delivery instruction, and proctoring.

9 To support the above, the Company will establish a pilot with services  
10 provided by Machinist Institute (MI), which will have appropriate  
11 milestones and criteria to assess effectiveness. The Company will provide  
12 facilities for any on-site training, subject to business requirements and  
13 availability. When Company facilities are utilized, MI will have on-site  
14 access. MI will be authorized to communicate to bargaining unit members  
15 MI's course curriculum or classes that are eligible for Joint Programs  
16 Educational Assistance Program benefits.

17 Representatives of the Company, Union, MI, and Executive Directors of  
18 IAM/Boeing Joint Programs will meet quarterly to review the pilot's  
19 outcomes and to discuss whether there are potential needs, scope, and  
20 placement of additional work listed above. The Company will decide, with  
21 input from the Union, MI and Executive Directors of IAM/Boeing Joint  
22 Programs, whether to continue the program and the scope of the program;  
23 provided, that if the Company intends to terminate the pilot, the Union  
24 and/or MI will be provided with the reason(s) for termination and given a  
25 30-day opportunity to cure.

26 Additionally, the Company will continue the mentoring program focused on  
27 training and knowledge transfer. Any such program will include an  
28 appropriate number of mentors, subject to needs of the business. Mentors  
29 will be employed by MI and utilized to support production, quality, and  
30 fabrication organizations in Company facilities throughout Puget Sound and  
31 Portland. To qualify as a mentor in this pilot, the individual must be an IAM  
32 member in good standing.

33 Dated: September 13, 2024

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**LETTER OF UNDERSTANDING NO. 43**

**SUBJECT: APPRENTICESHIP UTILIZATION**

The purpose of this Letter of Understanding is to further demonstrate both the Parties' commitment to the IAM/Boeing Apprenticeship Program and the development of Boeing's future employee pipeline. To support this effort, Joint Programs will continue to evaluate and grow target apprentice jobs, and review annual staffing levels.

The Company will maintain its apprentice program with a minimum total number of 125 participants in Puget Sound and Portland by the end of 2025. The ongoing growth of apprentices in Puget Sound and Portland will be a continued priority, with staffing levels discussed on at least an annual basis during National Governing Board meetings.

Any employees who enter the apprenticeship program will keep their current rate of pay, or receive the entry level pay for the apprenticeship, whichever is greater.

Dated: September 13, 2024



1  
2   **LETTER OF UNDERSTANDING NO. 44**

3   **SUBJECT: AI SYSTEMS IN THE WORKPLACE**

4       The Company agrees to provide the Union with information about plans to  
5       introduce Artificial Intelligence (“AI”) systems into the Production and  
6       Maintenance environment, within the Union’s jurisdiction. This will be  
7       achieved through regular and ongoing Technology Briefings as defined in  
8       Article 21.9 of the parties’ Collective Bargaining Agreement.

9       AI is defined as a machine-based system that can, for a given set of human-  
10       defined objectives, make predictions, recommendations, or decisions  
11       influencing real or virtual environments. AI systems use machine and  
12       human-based inputs to perceive real and virtual environments; abstract such  
13       perceptions into models through analysis in an automated manner; and use  
14       model inference to formulate options for information and action.

- 15           1. AI systems shall be designed, built, and operated with a focus on safety  
16           and quality.
- 17           2. The Company shall develop procedures and processes for oversight  
18           and evaluation of AI systems in the workplace.
- 19           3. Training shall be provided to all employees impacted by AI-capable  
20           equipment to operate and maintain machines and equipment within the  
21           work area.
- 22           4. The Company agrees that AI technologies, which are used to  
23           accomplish currently assigned or similar work assignments, shall not  
24           be used as justification for revision of grade level, but are considered  
25           tools and devices assisting the individual to accomplish assigned tasks.
- 26           5. Notwithstanding any other provision of the Agreement, the Company  
27           agrees that employees will not be laid off or downgraded as a direct  
28           result of the implementation of AI systems in the Production and  
29           Maintenance environment, within the Union’s jurisdiction.

30       Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 45**

2                                   **SUBJECT: PAID PARENTAL LEAVE**

3       The Company will provide a Paid Parental Leave (“PPL”) benefit to IAM  
4       751/W24 represented employees. This benefit will be available for births,  
5       adoptions, surrogacy, or foster placements. Eligibility, use, and other terms  
6       and conditions for this benefit will be governed by Company policy and  
7       procedure (currently, PRO-6929 and the Leaves of Absence Policy  
8       Handbook) except that IAM 751/W24 represented employees will not  
9       become eligible for PPL benefits until September 13, 2024. Further, while  
10      the effective date for eligible events is September 13, 2024, the PPL benefit  
11      will not be available for use by IAM 751/W24 members until January 1,  
12      2025. IAM 751/W24 members with eligible events occurring between  
13      September 13, 2024, and December 31, 2024, will be able to use the paid  
14      leave benefit beginning January 1, 2025, and must then use their PPL by the  
15      one-year anniversary of the eligible event (e.g., by 9/13/25-12/31/25).

16      This Letter of Agreement will control in the event of any conflict with the  
17      PPL policy and procedure.

18      The Company reserves the right to unilaterally alter, amend, and /or modify  
19      any or all terms of the PPL benefit at its sole discretion on an enterprise-  
20      wide or regional basis without further bargaining. The Company will notify  
21      the Union in advance of implementing any changes to the benefit.

22      Dated: September 13, 2024

1 **LETTER OF UNDERSTANDING NO. 46**

2 **SUBJECT: ANNUITY OPTION**

3 Effective January 1, 2025, the Company will pay the 1% fee charged by the  
4 third-party annuity provider (the “Annuity Provider”) for bargaining unit  
5 members retiring under the term of this Agreement to annuitize assets from  
6 their Boeing 401(k) Plan. Currently, the Annuity Provider is Hueler Income  
7 Solutions.

8 The annuity purchase program available to the IAM represented employees  
9 will be subject to terms and conditions determined by the Company. The  
10 Company reserves the right to unilaterally alter, amend, and/or modify any  
11 or all terms of the annuity purchase program without further bargaining.

12 Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 47**

2                                   **SUBJECT: PRIMARY CARE+**

3       The Company agrees to provide eligible employees with access to the  
4       Primary Care+ program in Puget Sound, effective in March, 2025. The  
5       expectation is that there will be at least 8 clinic locations in the Puget Sound  
6       region and one in Portland that will provide the following services at zero  
7       cost to eligible employees and covered dependents: Primary Care, Mental  
8       Health, Health Coaching, Physical Therapy, in-clinic labs and blood draws,  
9       and Chiropractic (locations vary). The Company will update the Union  
10      annually with current locations including specific services offered at each  
11      location.

12     Eligible employees are defined as IAM represented employees enrolled in a  
13     Boeing-sponsored health care plan administered by Blue Cross Blue Shield  
14     of Illinois and reside in Washington and Oregon.

15     The Primary Care+ program available to the IAM represented employees  
16     will be under the terms and conditions determined by the Company. The  
17     Company reserves the right to unilaterally alter, amend, and/or modify any  
18     or all terms of the Primary Care+ program without further bargaining.

19     The Company's cost of providing the Primary Care+ program shall not be  
20     used in the cost-share calculation referenced in Article 11.2(b).

21     Dated: September 13, 2024

**LETTER OF UNDERSTANDING NO. 48**

**SUBJECT: QUALITY AND SAFETY**

The Union and the Company agree on the importance of working together to continuously improve the Quality Management System (“QMS”), Safety Management System (“SMS”), and Quality Inspection processes.

In furtherance of this goal, the parties agree the Union will participate in the BCA QMS Advisory Board (“Advisory Board”) and the Inspection Management Board (“IMB”) Process.

**BCA QMS Advisory Board**

The Advisory Board will advise the BCA QMS Process Simplification effort for those processes impacting or applying to IAM 751/W24 members or their work statement. The Advisory Board will provide guidance, expertise, and strategic direction to simplify and enhance the BCA QMS. The BCA QMS Process Simplification effort is focused on the BCA Quality Management System procedures, processes and associated command media to create a simpler, more effective and easier to use network of processes for Boeing’s internal and external stakeholders, while simultaneously embedding Safety Management System (SMS) principles.

The members of the Advisory Board offer cross-functional, impartial advice and insights, drawing from their diverse experience and perspectives. The commitment from Advisory Board participants requires offering feedback on technical strategies, identifying potential risks, and providing recommendations for overcoming challenges. Further responsibilities include attending regular meetings.

Advisory Board members shall have access to the information relevant to carrying out the above stated mission of the QMS Advisory Board, pursuant to the terms of the National Labor Relations Act.

The Advisory Board shall include Boeing leaders representing Quality, Supplier Quality, Engineering, Labor Relations, Legal, Manufacturing, and two (2) full-time Union representatives selected from among employees who currently perform work within the bargaining unit. Compensation rates for the Union representatives will match Union-Appointed Work Transfer Representatives. The Company shall provide Union representatives the necessary onboarding training with respect to all relevant systems and processes related to the duties of the Advisory Board. The Union representatives will offer insight into current practices and identify risks or opportunities that could impact quality of work.

1 **Inspection Management Board**

2 The IMB reviews and approves proposed changes to inspections and tests  
3 that conform BCA products and articles within the BCA QMS. The Union  
4 representatives from the BCA QMS Advisory Board shall also serve on the  
5 board as IMB Advisory SMEs. Relevant policy documents will be updated  
6 to include the IMB Advisory SME role. The Company shall provide IMB  
7 Advisory SMEs the necessary onboarding training with respect to all  
8 relevant systems and processes related to the duties of the IMB.

9 IMB Advisory SMEs may invite guests as needed from relevant sites or  
10 organizations to address specific inspection-related changes, and these  
11 guests shall be excused from their regular duties. Union representatives will  
12 offer insight on matters concerning quality, safety, and production within  
13 BCA for inspection processes impacting or applying to IAM 751/W24  
14 members or their work statement.

15 **Resources**

16 The parties agree to review on a quarterly basis the volume of statement of  
17 work for the two (2) full time Union representatives in order to determine  
18 appropriate staffing levels. Should statement of work levels not account for  
19 full time support, the parties agree that Union representatives can support  
20 other projects or work assignments, provided by the organization, aligned to  
21 improvements in the production system. Additionally, should a change in  
22 resourcing be necessary, the parties agree to discuss appropriate staffing  
23 levels while still achieving the intended objectives.

24 **Confidentiality for Information Provided Through Committees**

25 Through its contact with the BCA QMS Advisory Board and the Inspection  
26 Management Board, the Union will be provided non-public confidential  
27 and/or proprietary information. The Union will keep all such information  
28 confidential and not disclose any Boeing confidential and/or proprietary  
29 information to anyone or any outside entity provided through these  
30 committees. The Union will take every precaution to safeguard such  
31 information from inadvertent disclosure.

32 Dated: September 13, 2024

1                                   **LETTER OF UNDERSTANDING NO. 49**

2                   **SUBJECT: OCCUPATIONAL HEALTH NURSE RATE**  
3                                   **STRUCTURE REVISION**

4       The Company and the Union agree to the continued inclusion of the  
5       Occupational Health Nurse job classification as part of the approved  
6       Corporate job codes.

7       Effective September 13, 2024, the 06711 Occupational Health Nurse job  
8       classification will be reclassified to an 0670B. The Labor Grade “B” will  
9       have a minimum rate of \$40.00 per hour with a maximum rate of \$59.22 per  
10      hour. The Labor Grade “B” will only be applicable to this classification.

11      Labor Grade “B” is not covered in the classification guides for labor grades  
12      one through eleven, but is to be assigned as stated in this Letter of  
13      Understanding.

14      All provisions of Article 6 of the parties’ current Collective Bargaining  
15      Agreement (“this Agreement”) will apply to employees in this classification.

16      Dated: September 13, 2024

**Group Benefits Package for  
Employees Represented by  
IAM 751, 70, and W24**

**Health and Insurance Plans  
Attachment A**

**Effective January 1, 2026  
(Unless Otherwise Noted)**



## **Where to Get More Information**

The plans described in this document are intended to reflect current provisions of your summary plan descriptions (SPDs)—including the most recent collective bargaining changes. Your SPDs provide more comprehensive information than is contained in this document.

For active employee benefit plans, you can access the SPDs by visiting Worklife online.

- Go to [boeing.service-now.com/worklife](http://boeing.service-now.com/worklife).
- From Worklife, select My Total Rewards & Benefits.
- Scroll to the bottom of the page and click the Summary Plan Descriptions link.

**ATTACHMENT A**  
**TABLE OF CONTENTS**

	<b>Page</b>
1	
2	
3	Eligibility ..... 207
4	Enrollment ..... 209
5	Effective Date of Coverage..... 213
6	Life Insurance Plan ..... 214
7	Accidental Death and Dismemberment Plan ..... 215
8	Short-Term Disability Plan ..... 217
9	Long-Term Disability Plan ..... 220
10	Survivor Income Plan ..... 226
11	Medical Plans..... 227
12	Summary of Traditional Medical Plan Benefits..... 228
13	Traditional Medical Plan Schedule of Benefits..... 254
14	Vision Care Program..... 258
15	Prescription Drug Program ..... 260
16	Coordinated Care Plans Schedule of Benefits ..... 266
17	Network Dental Plan..... 272
18	Prepaid Dental Plan ..... 281
19	Coordination of Benefits..... 282
20	When Injury/Illness Is Caused by Negligence of Another ..... 285
21	Termination of Coverage ..... 286
22	Leaves of Absence ..... 289

# 1 **Eligibility**

## 2 **Eligible Employees**

3 You are eligible for the Package if you are an active Boeing employee  
4 represented by one of the following International Association of Machinists  
5 and Aerospace Workers, AFL-CIO, Collective Bargaining Agreements:  
6 Aerospace Industrial District Lodge No. 751, District Lodge No. 70, and  
7 District Lodge No. W24. You are not eligible to enroll if you are working in  
8 a capacity that, at the sole discretion of the plan administrator, is considered  
9 contract labor or independent contracting.

## 10 **Eligible Dependents**

11 Dependents eligible for the medical and dental plans are your legal spouse  
12 and eligible domestic partner (as recognized under both applicable state law  
13 and the Internal Revenue Code) and children (natural children, adopted  
14 children, children legally placed with you for adoption, and stepchildren,  
15 including children of your eligible domestic partner) who are under age 26,  
16 unmarried, and dependent on you for principal support.

17 You may request coverage for the following dependents:

- 18 • An opposite-gender common-law spouse if the relationship meets the  
19 common-law requirements for the state where you entered into the  
20 common-law relationship.
- 21 • A domestic partner if
  - 22 - You and your domestic partner live in the same permanent residence  
23 in a permanent, exclusive, emotionally committed, and financially  
24 responsible relationship similar to a marriage and intend to remain so  
25 indefinitely.
  - 26 - Your domestic partner is at least 18 years old, is legally competent to  
27 enter into a contract, is not related to you by blood to a degree that  
28 would prohibit marriage in their state of permanent residence, is not  
29 married to or legally separated from another person or involved in  
30 another domestic partner relationship.
  - 31 - Your domestic partner relationship is not solely to obtain coverage  
32 under the Plan or a Component Benefit Program.

33 A domestic partner is considered a spouse for the purpose of the medical  
34 and dental plans.

- 35 • Unmarried children of your domestic partner who are under age 26 and  
36 dependent on you for principal support. These children are considered  
37 stepchildren for the purpose of the medical and dental plans.

- 1 • Other children, as follows, who are under age 26, unmarried, and  
2 dependent on you for principal support:
  - 3 - Children who are related to you either directly or through marriage  
4 (e.g., grandchildren, nieces, nephews).
  - 5 - Children for whom you have legal custody or guardianship (or for  
6 whom you have a pending application for legal custody or  
7 guardianship) and are living with you.

8 Proof of dependent eligibility will be required.

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

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

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

20 If both an employee and their spouse or domestic partner are employed by  
21 the Company and both in the IAM 751/W24 bargaining unit, one employee  
22 may elect to cover the other under their Company-sponsored medical and  
23 dental plans. An active employee may also cover a spouse or domestic  
24 partner who has retired from the Company and who waives retiree medical  
25 coverage.

26 If your dependent child is employed by Boeing and eligible for any type of  
27 benefit plan offered by Boeing, your dependent must be covered separately  
28 under the plan or plans available to that dependent.

29 No person may be covered both as an employee (active or retired) and as a  
30 dependent under any type of plan offered by Boeing, and no person will be  
31 considered a dependent of more than 1 employee. Eligible dependents do  
32 not include other Boeing employees covered under any Company-sponsored  
33 plan providing medical, vision care, prescription drug, dental, or similar  
34 services. However, if your spouse is a part-time Boeing employee, retired,  
35 on approved leave of absence or layoff, or an employee of a subsidiary  
36 company, your spouse and eligible dependent children are considered  
37 eligible dependents if other Boeing coverage is waived. If you and your  
38 spouse both are Boeing employees and have dependent children, you both  
39 may elect medical and dental coverage for eligible children under 1 parent's

1 plans. As an alternative, parents may elect medical coverage for eligible  
2 children under 1 parent's plan and dental coverage under the other parent's  
3 plan. In either case, all eligible children must be enrolled in the same medical  
4 plan and the same dental plan (except as required by a QMCSO). The same  
5 provisions apply to a domestic partner and his or her children.

### 6 **Disabled Children**

7 A disabled child age 26 or older continues to be eligible (or enrolled if you  
8 are a newly eligible employee) if a physician provides proof that he or she  
9 is incapable of self-support due to any mental or physical condition that  
10 began before age 26. You may be required to confirm the disability from  
11 time to time. The child must be unmarried and dependent on you for  
12 principal support. Coverage continues under the medical and dental plans  
13 for the duration of the incapacity as long as you continue to be enrolled in  
14 the plans and the child continues to meet these eligibility requirements.

15 Special applications for coverage are required for disabled dependent  
16 children age 26 or older.

## 17 **Enrollment**

### 18 **Life and Disability Plans**

19 You automatically are enrolled in the Life Insurance Plan, Accidental Death  
20 and Dismemberment Plan, Short-Term Disability Plan, and Survivor Income  
21 Plan when eligible. You may designate a beneficiary for life and accident  
22 benefits through the Boeing Service Center.

### 23 **Medical Plans**

24 In designated locations, the Company provides you with a choice of medical  
25 plans.

26 You receive enrollment instructions at the time of employment and may  
27 elect medical coverage under 1 medical plan available in your location by  
28 the date indicated on the enrollment worksheet. You and all your eligible  
29 dependents must be enrolled in the same medical plan, except as specified  
30 in the Eligibility section.

- 31 • If you do not enroll in a medical plan by the date indicated on the  
32 enrollment worksheet, you will be enrolled automatically in the  
33 Traditional Medical Plan for employee-only coverage.
- 34 • For your spouse or domestic partner, you must provide information  
35 regarding coverage available through another employer to determine  
36 whether or not special contributions are required to enroll him or her. If  
37 you do not authorize a required contribution, he or she will not be enrolled

1 for medical coverage. You will not be able to enroll your spouse or  
2 domestic partner until the earlier of:

- 3 - The next annual enrollment period.
- 4 - The date your spouse or domestic partner loses the option to be covered  
5 under the other employer-sponsored medical plan.

6 The Company will require periodic verification of data.

### 7 **Dental Plans**

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

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

### 15 **Annual Enrollment Period**

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

### 18 **Special Enrollment Events**

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

- 24 • You or your dependent loses or becomes ineligible for other health care  
25 coverage because of an event such as loss of dependent status under  
26 another health care plan (through divorce, legal separation, termination  
27 of a domestic partnership, or dependent child reaching the limiting age),  
28 death, termination of employment, reduction in hours of employment,  
29 termination of employer contributions toward the coverage, elimination  
30 of coverage for the class of similarly situated employees or dependents,  
31 moving out of the plan's service area with no other coverage available  
32 from the other health care plan, or reaching the lifetime limit on all  
33 benefits under the other health care plan.
- 34 • You or your dependent becomes ineligible for Medicaid or a state  
35 Children's Health Insurance Program and loses coverage; you or your  
36 dependent becomes eligible for premium assistance under Medicaid or a  
37 state's child health care plan.

1 • You or your dependent exhausts any continuation coverage from another  
2 employer; that is, coverage provided under the Consolidated Omnibus  
3 Budget Reconciliation Act of 1985, as amended (COBRA), ends.

4 • You gain a new dependent because of marriage, entering a domestic  
5 partnership, birth, adoption, or placement for adoption.

6 **Note:** For this purpose, “other health care coverage” does not include  
7 coverage through Medicare or Medicaid.

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

12 Except as provided in Reinstatement of Coverage below, special enrollment  
13 is not available if you lose coverage because of failure to make timely  
14 premium payments or termination from the plan for cause (such as for  
15 making a fraudulent claim).

16 If you decline enrollment in the medical and dental plans because of other  
17 employer-sponsored health care coverage (such as through a spouse’s  
18 employer), you may be able to enroll yourself and eligible dependents in the  
19 Company-sponsored medical and dental plans during the year as long as  
20 enrollment is within 60 days after other coverage ends.

21 If you have a new dependent as a result of marriage, entering into a domestic  
22 partner relationship, birth, adoption, or placement for adoption, you may  
23 enroll the new dependent during the year as long as enrollment is requested  
24 within 120 days after the qualified event.

### 25 **Qualified Status Changes**

26 If you experience one of the qualified status changes listed below, you may  
27 be able to enroll in medical or dental coverage, change your current  
28 coverage, or drop your coverage midyear. Any change to your coverage  
29 must be consistent with the status change that affects your or your  
30 dependent’s eligibility for Company-sponsored health care coverage or  
31 health care coverage sponsored by your eligible dependent’s employer.

32 Qualified status changes are the following events:

33 • You marry, divorce, or become legally separated, or the marriage is  
34 annulled.

35 • You enter into or dissolve a domestic partner relationship.

36 • You acquire a new, eligible dependent child, such as by birth, adoption,  
37 or placement for adoption.

- 1 • Your spouse or domestic partner or dependent child dies.
- 2 • You or your spouse or domestic partner or dependent child starts or stops  
3 working.
- 4 • You or your spouse or domestic partner or dependent child has any other  
5 change in employment status that affects eligibility for coverage such as  
6 changing from full time to part time (or part time to full time), salaried  
7 to hourly (or hourly to salaried), strike or lockout, a transfer between a  
8 nonunion salaried position and a union-represented position, or  
9 beginning or returning from an unpaid leave of absence, including an  
10 approved leave of absence in accordance with the Family and Medical  
11 Leave Act.
- 12 • You or your spouse or domestic partner or dependent child experiences  
13 a significant increase in the cost of employer-sponsored health care  
14 coverage or the employer-sponsored health care coverage ends,  
15 including expiration of COBRA coverage.
- 16 • The Company adds a new benefit option or significantly improves an  
17 existing benefit option.
- 18 • You or your spouse or domestic partner or dependent child experiences  
19 a significant curtailment or cessation of employer-sponsored health care  
20 coverage.
- 21 • You or your spouse or domestic partner or dependent child becomes  
22 eligible or ineligible for Medicare or Medicaid or becomes ineligible and  
23 loses coverage under Medicaid or a state Children’s Health Insurance  
24 Program.
- 25 • You or your covered dependent becomes eligible for premium assistance  
26 under Medicaid or a state’s child health care plan.
- 27 • Your dependent child becomes eligible for, or no longer is eligible for,  
28 health care coverage due to age limits, principal support status, or a  
29 similar eligibility requirement.
- 30 • You or your spouse or domestic partner or dependent child makes an  
31 enrollment change in his or her employer-sponsored health care  
32 coverage, either because of a qualified change in status or an annual  
33 enrollment.
- 34 • You or your spouse or domestic partner or dependent child changes place  
35 of residence or work, affecting access to care within the current plan or  
36 access to network providers.
- 37 • You are transferred to a different division, affecting eligibility for  
38 benefits under Company-sponsored health care plans.



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

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

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

## **Effective Date of Coverage**

### **Employees**

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

- Medical and dental coverage becomes effective on the first day of the month following your first day of employment.
- Life insurance, accidental death and dismemberment, short-term disability, and survivor income coverage becomes effective on the first day of the month following your first day of employment, provided you are actively at work on that date.

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

For coverage during a leave of absence, see the Leaves of Absence section.

### **Dependents**

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

You authorize required contributions when enrolling eligible dependents.

## **Life Insurance Plan**

The life insurance benefit is \$50,000. The total amount is payable in the event of your death from any cause at any time or place while covered. Payment is made in a lump sum or installments to the designated beneficiary. You may change beneficiaries at any time by contacting the Boeing Service Center.

If you become permanently and totally disabled for longer than 6 full calendar months at any time before age 60 and while covered under the plan, the life insurance benefit is paid as a permanent and total disability benefit in monthly installments of \$500 beginning the first day of the month after the service representative receives proof of the disability. The disability must have existed continuously for 6 months and be expected to keep you, for life, from performing any work for compensation or profit. The installments continue while you remain totally and permanently disabled until the life insurance benefit, with interest on the unpaid balance, is exhausted. (The final installment is for the balance of the fund.) If you die while entitled to receive this monthly benefit, your beneficiary receives the balance of the life insurance benefit and the accrued interest credited to date of death in a lump sum. Separate periods of total disability resulting from the same or related causes and separated by less than 30 days of active work are considered one period of total disability.

If you recover and return to work, the unpaid installments plus accrued interest to date are reinstated as the total life insurance benefit. Payments for a subsequent disability are limited to this reduced amount.

If you recover but do not return to work, all coverage terminates. You may then convert the total unpaid installments plus accrued interest under the conversion of benefits provision.

The rate of interest allowed on the unpaid balance is the rate for special settlement methods under the individual life insurance policies issued by the service representative.

Proof of disability must be furnished within 12 months of the date active work ends.

If you are hired or rehired on or after January 3, 2014, and you are not a participant in The Boeing Company Employee Retirement Plan (BCERP), the Company will provide a \$15,000 disability insurance benefit in the event you become disabled and satisfy the conditions that would otherwise have qualified for a disability retirement benefit under the BCERP. You will not be eligible for this disability insurance benefit if you are eligible for any disability retirement benefit under the BCERP.

## Supplemental Life Insurance

Beginning January 1, 2026, the Company will make available employee-paid Supplemental Life Insurance coverage under the same terms and conditions applicable to Boeing non-bargaining-unit employees working in Washington and Oregon state. The Company reserves the right to unilaterally alter, amend, and/or modify any or all terms of the supplemental coverage benefit plan at its sole discretion on an enterprise wide or regional basis without further bargaining.

## Accidental Death and Dismemberment Plan

Accidental death and dismemberment benefits are provided if your loss of life, paralysis, or loss of hand, foot, eyesight, hearing, or speech is caused by a covered accident (including an occupational accident) that occurs while you are covered under the plan.

The full principal sum, \$32,000, is paid to your beneficiary if you die. This amount is in addition to any amount payable under the group life insurance coverage.

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

Loss	Percentage of Principal Sum
Life	100%
Quadriplegia	100%
Both Hands or Both Feet	100%
Sight of Both Eyes	100%
1 Hand and 1 Foot	100%
1 Hand and the Sight of 1 Eye	100%
1 Foot and the Sight of 1 Eye	100%
Speech and Hearing in Both Ears	100%
Paraplegia	75%
Hemiplegia	50%
1 Hand or 1 Foot	50%
Sight of 1 Eye	50%

<b>Loss</b>	<b>Percentage of Principal Sum</b>
Speech or Hearing in Both Ears	50%
Hearing in 1 Ear	25%
Thumb and Index Finger of Same Hand	25%

1 “Loss” of a hand or foot means the complete severance through or above the  
2 wrist or ankle joint. “Loss” of sight of an eye means the total and  
3 irrecoverable loss of the entire sight in that eye. “Loss” of hearing in an ear  
4 means the total and irrecoverable loss of the entire ability to hear in that ear.  
5 “Loss” of speech means the total and irrecoverable loss of the entire ability  
6 to speak. “Loss” of a thumb and index finger means the complete severance  
7 through or above the metacarpophalangeal joint of both digits.

8 “Quadriplegia” means the complete and irreversible paralysis of both upper  
9 and both lower limbs. “Paraplegia” means the complete and irreversible  
10 paralysis of both lower limbs. “Hemiplegia” means the complete and  
11 irreversible paralysis of the upper and lower limbs of the same side of the  
12 body.

13 “Injury” means bodily injury caused by an accident occurring while you are  
14 covered under the plan, and resulting directly and independently of all other  
15 causes in death or loss as listed above.

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

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

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

26 No plan benefits will be paid for a death or loss caused in whole or in part  
27 by, or resulting in whole or in part from:

- 28 • Suicide or intentionally self-inflicted injury.

- 1 • Declared or undeclared war or act of declared or undeclared war  
2 occurring in the continental limits of the United States, unless it is an act  
3 of terrorism.  
4 (“Terrorism” means any violent act intended to cause injury, damage, or  
5 fear and committed by or purportedly committed by one or more  
6 individuals or members of an organized group to make a statement of the  
7 individual’s or group’s political or social beliefs, concepts, or attitudes  
8 and/or to intimidate a population or government into granting the  
9 individual’s or group’s demands.)
- 10 • An illness, sickness, disease, bodily or mental infirmity, medical or  
11 surgical treatment, or bacterial or viral infection, regardless of how  
12 contracted, except bacterial infection resulting from an accidental cut or  
13 wound or accidental food poisoning. However, if a covered loss results  
14 from medical or surgical treatment of an injury, benefits will be provided  
15 for the loss.

## 16 **Supplemental Accidental Death and** 17 **Dismemberment Coverage**

18 Beginning January 1, 2026, the Company will make available employee-  
19 paid Supplemental Accidental Death and Dismemberment Insurance  
20 coverage under the same terms and conditions applicable to Boeing non-  
21 bargaining-unit employees working in Washington and Oregon state. The  
22 Company reserves the right to unilaterally alter, amend, and/or modify any  
23 or all terms of the supplemental coverage benefit plan at its sole discretion  
24 on an enterprise wide or regional basis without further bargaining.

## 25 **Short-Term Disability Plan**

26 Benefits are paid for disabilities due to pregnancy-related conditions, illness,  
27 and accidental injuries on or off the job. Disabled means you are unable to  
28 perform the essential functions of your regular occupation or other  
29 appropriate work Boeing makes available as a result of a pregnancy-related  
30 condition, illness, or accidental injury (on or off the job).

31 The following schedules state the benefit amounts, classes of disability, and  
32 the maximum period of payment. Benefit amounts are determined by your  
33 labor grade.

1

<b>Labor Grade</b>	<b>Weekly Benefit for Disabilities Not Covered by Workers' Compensation</b>	<b>Weekly Benefit for Disabilities Covered by Workers' Compensation</b>
A-1-2-3	\$750.00	\$140.00
4-5-6-7	\$750.00	\$150.00
8-9-10-11-B	\$750.00	\$165.00

2 Workers' compensation benefits for illness and accidental injuries are  
3 payable in addition to this Plan.

4 Payment periods:

<b>Benefits Begin</b>	<b>In the Event of</b>	<b>Maximum Periods</b>
1 <sup>st</sup> day of disability	Accidental injury not covered by workers' compensation	26 weeks
1 <sup>st</sup> day of confinement	Confinement in a hospital for nonoccupational or occupational injuries or illnesses or for pregnancy-related conditions	26 weeks
7 <sup>th</sup> day of disability	Pregnancy-related conditions, accidental injury covered by workers' compensation, and all other illnesses	26 weeks

5 Your non-occupational short-term disability payments are reduced by  
6 payments received from:

- 7 • A state workers' compensation program.
- 8 • A state disability income or insurance program.
- 9 • Any other income rehabilitation earnings you may receive.
- 10 • Any additional pay above those necessary to reach 100% of your weekly  
11 salary when combined with your short-term disability benefit.

12 You may supplement your short-term disability benefits with your accrued  
13 sick leave or vacation up to 100 percent of your weekly earnings.  
14 Alternatively, you may use your accrued sick leave or vacation instead of  
15 short-term disability benefits.

1 If you are absent for 7 or more consecutive days due to a disability resulting  
2 from a surgery in an outpatient hospital or surgical facility, benefits will be  
3 retroactive to the first day of the disability.

4 No benefits are payable for any period during which you are not under the  
5 regular care of a physician. To receive benefits according to the schedule,  
6 you must be seen by a physician within the first 14 days of disability;  
7 otherwise benefits begin on the date you are actually seen and treated. For  
8 this benefit, physician refers to a legally qualified, licensed physician, with  
9 a course of treatment that is consistent with the diagnosis of the disabling  
10 condition and according to guidelines established by medical, research, and  
11 rehabilitation organizations. All determinations of total disability are made  
12 by the service representative within the terms of its contract with the  
13 Company.

14 An increase or decrease in your short-term disability coverage amount is  
15 effective the first day of the month following or coinciding with a change in  
16 labor grade. If you are both disabled and away from work on the date an  
17 increase or decrease would be effective, the change is delayed until you  
18 return to an active work schedule.

#### 19 **Reinstatement of Benefits**

- 20 • Benefits are reinstated after a period of disability when you return to active  
21 work for at least 30 consecutive days.
- 22 • If you are absent due to the same or a related disability during this 30-day  
23 period, benefits are not reinstated. However, you are eligible for any  
24 benefits remaining from the original 26-week period on the first day of the  
25 subsequent disability.
- 26 • If you return to active employment for at least 1 full day and the  
27 subsequent disability is due to entirely different and unrelated causes from  
28 the prior disability, you are considered as having started a new period of  
29 disability.

#### 30 **Income Tax Withholding**

31 Short-term disability payments are reported to the Federal government and  
32 may be considered taxable income. Income tax will be withheld if required  
33 by law.

34 Social Security (FICA) withholding is made from employee disability  
35 payments and reported to the government. The amount is the current FICA  
36 withholding rate. This withholding is required by law and is matched by the  
37 employer.

## 1 **Long-Term Disability Plan**

2 Effective January 1, 2026, the Company will provide basic long-term  
3 disability coverage at no cost to you. You may purchase supplemental long-  
4 term disability coverage if you enroll and make the required contributions.

5 You are eligible to receive long-term disability benefits after you have been  
6 disabled for 26 weeks. Your disability must begin while you are covered by  
7 the plan. If your disability continues after the 26-week waiting period, you  
8 receive a monthly basic long-term disability benefit that is equal to 50  
9 percent of your monthly earnings. Your monthly earnings at the time of your  
10 disability benefit may be reduced to take into account income you receive  
11 from other sources and rehabilitative employment.

12 You may purchase coverage of an additional 10 percent of your monthly  
13 earnings by enrolling in supplemental long-term disability coverage. You  
14 pay for supplemental long-term disability coverage through after-tax  
15 contributions taken from your paycheck. This additional 10 percent benefit  
16 is not reduced by any other income, except earnings from rehabilitative  
17 employment, as described below.

18 The maximum monthly benefit from this plan is \$15,000, basic and  
19 supplemental coverage combined.

20 Your benefits under this plan will be determined using the monthly earnings  
21 reflected in Boeing Service Center records at the time your disability begins,  
22 based on your base pay including cost of living allowance, shift differentials,  
23 and pay additives. Monthly earnings do not include bonuses, overtime pay,  
24 incentive compensation, or other compensation you receive from the  
25 Company or a participating subsidiary. For part-time employees, the plan  
26 first figures your pay as if you were full time; your earnings are that amount  
27 multiplied by a percentage equal to your scheduled weekly hours divided by  
28 40. This is referred to as your “predisability earnings.”

29 If your earnings change, your long-term disability benefit amount changes  
30 as follows:

- 31 • Your monthly earnings are determined on the first day of each month.
- 32 • If you are actively at work when your monthly earnings increase or  
33 decrease, your maximum available long-term disability benefit amount  
34 automatically will change the first day of the month after or coinciding  
35 with the date of the change in earnings.
- 36 • If you are not actively at work when your monthly earnings increase or  
37 decrease, your long-term disability benefit amount will change the first  
38 day of the month after the date you return to active work.



- 1 • If you are already on an approved disability, your benefit amount will not
- 2 change until you return to active work.
- 3 • Any retroactive change to your monthly earnings will not retroactively
- 4 change your eligible benefit amount under this plan.
- 5 • Any change to your monthly earnings will not affect a benefit payable for
- 6 a second disability that is considered a continuation of the first disability.
- 7 Long-term disability benefits end on the earliest of these dates:
- 8 • The date you no longer are disabled.
- 9 • The date you return to work.
- 10 • The last day of your maximum benefit period.
- 11 • The date you are not under the regular care of a physician for your
- 12 disability.
- 13 • The date you fail to provide proof of continued disability, refuse to be
- 14 examined, or withhold information about any employment.
- 15 • The date you die.
- 16 The maximum time that long-term disability benefits may be paid depends
- 17 on your age when your disability begins, as shown in the following table:

<b>Long-Term Disability Benefit Period</b>	
<b>Age When Disability Begins</b>	<b>Maximum Benefit Period*</b>
59 or younger	Until age 65
60	60 months
61	48 months
62	42 months
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 and over	12 months
* Or to your Social Security normal retirement age, if later.	

- 18 **Separate Periods of Disability**
- 19 If you experience a second disability, the cause and the length of time
- 20 between the first and second disability will determine whether the second
- 21 disability is treated as a continuation of the first or as a separate disability
- 22 unrelated to the first.

- 1 Your second period of disability is considered a continuation of the first if:
- 2 • the recurrence is due to the same or related cause as the first, and
  - 3 • you returned to work or were not considered disabled (a period of
  - 4 temporary recovery) for
  - 5 ○ 60 days or less during the initial 26-week waiting period, or
  - 6 ○ 26 consecutive weeks or less (for each period of temporary recovery)
  - 7 during the payment period.

8 The following provisions apply to a period of temporary recovery:

- 9 • No new 26-week waiting period is required.
- 10 • The monthly earnings amount used to determine your benefit during your
- 11 previous period of long-term disability stays the same.
- 12 • No long-term disability benefits are paid for the time you are temporarily
- 13 recovered.
- 14 • Your period of temporary recovery does not count toward your
- 15 – Initial 26-week waiting period.
- 16 – Maximum benefit period.
- 17 – Initial 24-month payment period.
- 18 – 24-month limit on disabilities due to mental illness or substance use.

19 Your second period of disability is treated as a new and separate disability

20 if you no longer are disabled from your first disability or returned to active

21 work for at least one day and:

- 22 • your disability is due to a different cause than the first disability,
- 23 • your disability is due to the same cause as the first disability, but your
- 24 recovery is longer than the time limits listed above; or
- 25 • the first period of disability began before you were covered under this
- 26 plan.

27 When any of these applies, you will need to initiate a new claim and meet

28 the waiting period requirements before benefits are paid.

### 29 **When the Plan does Not Pay Benefits**

30 The Long-Term Disability Plan will not cover any disability that begins

31 during the first 12 months of coverage if the disability results from a

32 preexisting condition or if the disability is caused by:

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

- 1 • Insurrection, rebellion, or taking part in a riot or civil commotion.
- 2 • Intentionally self-inflicted injury (while sane or insane).
- 3 • Military duty other than temporary active duty of less than 31 days.
- 4 You are not eligible for disability benefits during any period you are
- 5 confined in a penal or correctional institution for conviction of a criminal or
- 6 other public offense.

### 7 **Disability due to Mental Illness or Substance Use Disorder**

8 The plan pays benefits to a maximum of 24 months if mental illness or  
9 substance use disorder is the primary cause of your disability. After 24  
10 months, benefits continue only if you are confined to a hospital or similar  
11 institution for the condition causing the disability.

12 If inpatient confinement lasts:

- 13 • Less than 30 days: Benefits stop when you are no longer confined.
- 14 • 30 days or more: Benefits continue until you have not been confined
- 15 because of that condition for a total of 90 days in any 12-month period.

16 The rules regarding separate periods of coverage described above do not  
17 apply to disabilities caused by mental illness or substance use disorder after  
18 the first 24 months of benefit payments.

### 19 **Income from Other Sources**

20 If you are eligible to receive income from certain other sources while  
21 disabled, the amount of that income will be subtracted from your monthly  
22 disability benefit under this plan. However, if you are enrolled in  
23 supplemental long-term disability coverage, your supplemental long-term  
24 disability benefit will not be reduced by income other than earnings from  
25 rehabilitative employment (described below).

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

### 30 **Income That Reduces Your Long-Term Disability Benefit**

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

- 32 • Disability, retirement, or unemployment benefits required or provided
- 33 under any law of a government, including but not limited to
- 34 – Automobile no-fault wage replacement benefits to the extent required
- 35 by law.

- 1       – Social Security, Railroad Retirement Act, Canada Pension Plan, and
- 2       Quebec Pension Plan benefits.
- 3       – Statutory disability benefits.
- 4       – Unemployment compensation benefits.
- 5       – Veterans’ benefits.
- 6       – Workers’ compensation benefits.
- 7       • Group credit or mortgage disability insurance.
- 8       • Half of any award under The Jones Act or The Maritime Doctrine of
- 9       Maintenance, Wages, and Cure.
- 10      • Insured or uninsured disability income plans of any employer,
- 11      multiemployer or multiple employer welfare plan, union welfare plan, or
- 12      welfare plan of a group or an association.
- 13      • Retirement income benefits from the Company or any Company
- 14      subsidiaries, except
- 15       – Any retirement benefit you are eligible to receive before the plan’s
- 16       normal retirement age but elect not to receive before that age. After
- 17       normal retirement age, long-term disability benefits are reduced by
- 18       retirement benefits you are eligible to receive (whether or not you
- 19       receive them).
- 20       – The portion of any lump-sum distribution attributable to employee
- 21       contributions.
- 22       – The portion of any retirement benefit attributable to employee
- 23       contributions.
- 24      • Salary or wage continuation.
- 25      • Salary, wages, other compensation from any employer, or income from
- 26      any occupation for compensation or profit, except for approved
- 27      rehabilitative employment.
- 28      Other income benefits include primary and family Social Security benefits
- 29      as well as other benefits you, your spouse, and your other dependents
- 30      receive.
- 31      Other income benefits paid in a lump sum are allocated over the period
- 32      specified in the lump-sum settlement. If no period is specified, other income
- 33      benefits paid in a lump sum will be allocated over the lesser of your
- 34      remaining benefit period or 60 months.

1 **Rehabilitative Earnings**

2 To encourage your return to gainful employment before you fully recover  
3 from your disability, the plan allows you to receive pay, called rehabilitative  
4 earnings, for approved rehabilitative work without a reduction in your  
5 disability benefits:  
6

<b>Payment Period</b>	<b>Maximum You May Earn from Long-Term Disability Benefits + Rehabilitative Earnings</b>
First 24 months	100% of predisability earnings*
After 24 months	80% of predisability earnings*
* To help protect you from the effects of inflation, your predisability earnings are indexed to the cost of living.	

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

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

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

- 13 • Accelerated benefits paid under a life insurance policy.
- 14 • Cost-of-living increases in other income benefits.
- 15 • Employer-sponsored deferred compensation, thrift, savings, profit-  
16 sharing, stock ownership, stock option, and tax-sheltered annuity plans,  
17 including plans qualified under Internal Revenue Code sections 401(k),  
18 403(b), 457, and similar plans.
- 19 • Individual disability insurance policies.
- 20 • Keogh (HR-10) plans.
- 21 • Sick and/or vacation pay, or their functional equivalent.
- 22 • Severance pay.
- 23 • The amount of any retirement or disability benefits you were receiving  
24 from these sources when you became disabled:
  - 25 – Military or other government service pensions.
  - 26 – Retirement benefits from a previous employer.

- 1       – Veterans’ benefits for service-related disabilities.
- 2       – Social Security.
- 3       • Traditional or Roth individual retirement accounts (IRA).

4       Increases in other income benefits will reduce your long-term disability  
5       benefits if due to other reasons, such as a change in the number of your  
6       family members, recomputation of other income benefits, or a change in the  
7       severity of your disability.

### 8       **Retirement Benefits**

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

- 12       • 60 days after the end of the retirement plan year in which you reach age  
13       65 (generally, December 31— visit Worklife for confirmation).
- 14       • Six months after your period of disability begins.

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

### 19       **How Long-Term Disability Benefits are Taxed**

20       Benefit payments under the Basic Long-Term Disability Plan generally are  
21       taxable income to you. If your benefits are considered taxable income, you  
22       will be responsible for paying any required taxes.

23       Federal law requires Social Security (FICA) withholding from your benefit  
24       payments under this plan. The amount withheld will be the current FICA  
25       withholding rate applied to the taxable portion of the benefit. The Company  
26       will match the amount withheld.

27       Benefit payments under the Supplemental Long-Term Disability Plan are  
28       not taxable to you because you pay the cost of this coverage with after-tax  
29       contributions.

### 30       **Survivor Income Plan**

31       If you die from any cause, at any time or place, while covered under the plan,  
32       survivor income benefits are payable to eligible survivors, as listed below.  
33       Survivor income benefits are composed of transition benefits and bridge  
34       benefits.

## **Transition Benefit**

The transition benefit is \$210 per month for any month the survivor receives either no Social Security benefits or Social Security benefits reduced solely because of age. If the survivor receives unreduced Social Security benefits, the transition benefit is \$140 per month.

The transition benefit is paid for a maximum of 24 months to these survivors, in the following priority:

- Your widow or widower lawfully married to you or your domestic partner.
- Your unmarried child or children under age 26 if living with and dependent on you for at least 50% of their support during the year immediately preceding your death. The child continues to be eligible regardless of age if totally and permanently disabled and living with and dependent on you.
- Your parents or parent if dependent on you for at least 50% of their support in the year before your death.

Benefits begin the first day of the month following the date you die and are payable on the first day of each month thereafter. Benefits are divided equally where 2 or more persons are to receive the benefits. If there are no qualified survivors, no benefits are paid.

## **Bridge Benefit**

After transition benefits are paid, if your eligible spouse or domestic partner was at least age 50 at the time of your death, monthly payments of \$210 are made to your spouse or domestic partner while living and unmarried until the earliest of these dates:

- Your spouse or domestic partner remarries.
- Your spouse or domestic partner reaches age 62.
- Full widow's or widower's insurance benefits under the Federal Social Security Act become payable.

However, if your surviving spouse or domestic partner is eligible to receive mother's or father's insurance benefits under the Social Security Act, monthly payments are deferred until your spouse or domestic partner stops receiving mother's or father's insurance benefits.

## **Medical Plans**

The Company-sponsored medical plan is the Traditional Medical Plan. Where appropriate, Health Maintenance Organizations (HMOs) and Coordinated Care Plans (CCPs) will be offered to employees, retirees (subject to Attachment B) and their dependents in addition to the Traditional

1 Medical Plan. See your Summary Plan Description or Certificate of  
 2 Coverage for a description of medical plan benefits.

### 3 **Summary of Traditional Medical Plan Benefits**

4 This section shows general plan features of the Traditional Medical Plan; the  
 5 Schedule of Benefits section shows benefit amounts and other plan  
 6 information.

7 Benefit and plan payment provisions are based on a benefit year, January 1  
 8 through December 31.

9 Prescription drug benefits are as shown in the “Prescription Drug Program”  
 10 section. Vision care benefits, as shown in the “Vision Care Program”  
 11 section, are available to active employees.

<b>Summary of Traditional Medical Plan Benefits</b>		
See the Schedule of Benefits section for benefit amounts		
	<b>Network</b>	<b>Nonnetwork</b>
<b>Plan Features</b>		
Annual Deductible	The deductible applies to all covered network services and supplies except network provider outpatient visits where the copayment applies, preventive care, tobacco and nicotine cessation treatment, routine vision care, and prescription drugs	

12

<b>Summary of Traditional Medical Plan Benefits</b>		
See the Schedule of Benefits section for benefit amounts		
	<b>Network</b>	<b>Nonnetwork</b>
<b>Office Visit Copayment</b>  (Annual deductible does not apply)	\$30 office visit copayment applies to primary care provider office visits, \$40 office visit copayment applies to specialist office visits (including chiropractic)  Primary care providers are physicians in general practice, family practice, internal	Does not apply; charges of nonnetwork providers are subject to the annual deductible and coinsurance



### Summary of Traditional Medical Plan Benefits

See the Schedule of Benefits section for benefit amounts

	<b>Network</b>	<b>Nonnetwork</b>
	medicine, osteopath, pediatrics, obstetrics, or gynecology; advanced registered nurse practitioner (in any of these practices); physician assistant (in any of these practices); and urgent care providers.	
Annual Medical Out-of-Pocket Maximum	The annual out-of-pocket maximum is shown in the Schedule of Benefits section	
Annual Prescription Drug Out-of-Pocket Maximum	The prescription drug annual out-of-pocket maximum is shown in the Prescription Drug Program Schedule of Benefits section	
Lifetime Maximum Benefit	None	
<b>Provider Choice</b>		
Network Providers	Special fee arrangements with the service representative make it possible for the plan to cover a higher percentage of most network services and supplies; in most cases, the only out-of-pocket expenses are: <ul style="list-style-type: none"> <li>• Deductible, copayment, and coinsurance amounts</li> <li>• Expenses for services and supplies not covered by the plan</li> <li>• Any amounts that exceed plan maximum benefits</li> </ul>	
Nonnetwork Providers	In a location where qualified network providers are available, the plan covers a lower percentage of most nonnetwork services and supplies; in a location where there is no qualified network provider, the plan covers services and supplies at the network level; benefit payments are based on usual and customary charges	

### Summary of Traditional Medical Plan Benefits

See the Schedule of Benefits section for benefit amounts

	<b>Network</b>	<b>Nonnetwork</b>
Providers in a Category Not Eligible to Participate in the Network	The plan covers services and supplies at 80%; you can call the service representative to find out which types of providers are network providers in a particular location; benefit payments are based on usual and customary charges	
Covered Services and Supplies	Network coinsurance applies to most covered network services and supplies, except as shown below	Nonnetwork coinsurance applies to most covered nonnetwork services and supplies, except as shown below
Ambulance	Network coinsurance applies	See network provisions
Christian Science Sanatorium	Network coinsurance applies; certain limits apply	See network provisions
Emergency Room		
Medical Emergency	Network coinsurance applies after emergency room copayment (waived if admitted as an inpatient immediately following emergency room treatment, is treated in the emergency room for more than 12 hours, or dies in the emergency room)	See network provisions
All Other Treatment	Network coinsurance applies after emergency room copayment	Nonnetwork coinsurance applies after emergency room copayment

### Summary of Traditional Medical Plan Benefits

See the Schedule of Benefits section for benefit amounts

	<b>Network</b>	<b>Nonnetwork</b>
Hearing Aids	<p>Network coinsurance applies for aids up to \$1000 per ear; limit 1 aid per ear every 3 benefit years</p> <p>Hearing aid overhaul in place of new hearing aid after 3 years</p>	<p>Network coinsurance applies for aids up to \$1000 per ear; limit 1 aid per ear every 3 benefit years</p> <p>Hearing aid overhaul in place of new hearing aid after 3 years</p>
Home Health Care	Network coinsurance applies at 90%	Nonnetwork coinsurance applies at 60%
Hospice Care	<p>Network coinsurance applies at 90% subject to 6-month review</p> <p>Skilled care by registered nurse, licensed practical nurse, or home health aide</p> <p>Apply to the service representative for physician-recommended extensions</p>	See network provisions
Mental Health Treatment (including eating disorders)		
Covered Inpatient, Partial Hospital, Residential, or Intensive Outpatient Services	See the Schedule of Benefits section for payment level at 90%	See the Schedule of Benefits section for payment level at 60%

### Summary of Traditional Medical Plan Benefits

See the Schedule of Benefits section for benefit amounts

	<b>Network</b>	<b>Nonnetwork</b>
Other Covered Outpatient Services	See the Schedule of Benefits section for payment level	See the Schedule of Benefits section for payment level at 60%
Neurodevelopmental Therapy	Network coinsurance applies at 90%	Nonnetwork coinsurance applies at 60%
Occupational, Physical, and Speech Therapy	Network coinsurance applies at 90%	Nonnetwork coinsurance applies at 60%
Preventive Care		
Routine Physical Examinations (for employees, spouses and dependents over age 18)	See the Schedule of Benefit section for payment level; includes related X-ray and laboratory charges	Not covered when received in a network service area
Well Child Benefits	See the Schedule of Benefits section for payment level	Not covered when received in a network service area
Tobacco and Nicotine Cessation	See the Schedule of Benefits section for payment level	See the Schedule of Benefits section for payment level
Spinal and Extremity Manipulations	Specialist office visit copayment applies; 26 spinal and/or extremity manipulation visits per benefit year (network and nonnetwork combined)	Nonnetwork coinsurance applies; 26 spinal and/or extremity manipulation visits per benefit year (network and nonnetwork combined)

<b>Summary of Traditional Medical Plan Benefits</b>		
See the Schedule of Benefits section for benefit amounts		
	<b>Network</b>	<b>Nonnetwork</b>
Substance Use Disorder Treatment		
Covered Inpatient, Partial Hospital, Residential, Detoxification, or Intensive Outpatient	See the Schedule of Benefits section for payment level at 90%	See the Schedule of Benefits section for payment level at 60%
Outpatient Services	At 100%	At 60%
Temporomandibular Joint Dysfunction and Myofascial Pain Dysfunction Syndrome (TMJ/MPDS) Treatment	See the Schedule of Benefits section for payment level	See the Schedule of Benefits section for payment level

1 See “Covered Medical Services and Supplies” for more details on benefits.

2 **Out-of-Pocket Maximums**

3 For some services, you are required to pay a certain percent of charges,  
4 called out-of-pocket expenses.

5 When your out-of-pocket expenses (or when your family members’  
6 combined out-of-pocket expenses) reach the annual out-of-pocket  
7 maximum, most other benefits are paid at 100% of usual and customary  
8 charges for the rest of that benefit year, up to any maximum benefit amounts.

9 The following expenses do not count toward the out-of-pocket maximums:

- 10 • Any balance remaining after a benefit maximum has been reached.
- 11 • Benefits paid at a reduced amount or denied when you fail to follow  
12 medical review program procedures and requirements.
- 13 • Covered medical services paid at 100% of usual and customary charges  
14 or in full.
- 15 • Expenses for services or supplies not covered by the plan.

- 1 • The difference between usual and customary charges and the provider's  
2 actual charge.
- 3 • Vision care out-of-pocket expenses.

## 4 **Provider Choice**

### 5 *Network Providers*

6 Network providers are physicians, hospitals, and other health care providers  
7 who have contracts with the plan's service representative to provide  
8 efficient, cost-effective health care. Although you may receive care from any  
9 licensed provider covered under the plan, the plan offers certain advantages  
10 if a network provider is used.

11 The contracts with network providers include direct billing and payment  
12 systems. This means you do not need to submit a claim form when a network  
13 provider is used.

### 14 *Nonnetwork Providers*

15 Covered services obtained from nonnetwork physicians, hospitals, and other  
16 covered health care providers in a license category eligible to participate in  
17 the network (for example, M.D.s) are paid according to whether network  
18 providers are available in that location.

### 19 *Providers in a Category Not Eligible to Participate in the Network*

20 Certain types of providers may or may not be network providers depending  
21 on their location. The plan may not have network contracts with providers  
22 in a specific category in a particular location (such as podiatrists or  
23 chiropractors in certain locations).

## 24 **Medical Review Program**

25 The medical review program lets you and your physician know whether  
26 certain types of nonemergency care will be covered under the plan before  
27 the care is provided and the expense is incurred.

28 The plan pays regular benefits for certain types of nonemergency care only  
29 if the medical review program is contacted before care is received. Benefits  
30 may be limited or denied if these requirements are not followed.

31 Medical review program requirements do not apply if primary coverage is  
32 provided through another employer's group medical plan.

If preadmission or prior approval is...	Then the plan pays...
Obtained through the medical review program	Regular benefit levels shown in the “Summary of Traditional Medical Plan Benefits” table
Not obtained and the admission or care is not considered medically necessary under the medical review program’s guidelines	No benefits; you are responsible for 100% of the charges

1 Although contacting the program is not required before emergency or  
 2 pregnancy-related admissions, you or your physician should contact the  
 3 program soon after admission to be assured whether the rest of the  
 4 confinement is covered. Hospital preadmission review for childbirth is not  
 5 required for a mother and newborn for the first 48 hours following a normal  
 6 delivery or 96 hours following a cesarean section.

7 **Voluntary Second Surgical Opinion**

8 The plan encourages you to get a second opinion before having any  
 9 nonemergency surgery.

10 A second (or third) surgical opinion will be covered under the  
 11 network/nonnetwork provider payment levels, subject to the plan’s  
 12 copayments and/or deductibles and coinsurance.

13 **Individual Case Management**

14 In the event of a severe or long-term illness or injury, the service  
 15 representative assists your network provider in identifying treatment  
 16 alternatives that offer cost-effective care and enhancements to quality of life.

17 **Covered Medical Services and Supplies**

18 In general, the plan covers medically necessary services and supplies used  
 19 to diagnose or treat a nonoccupational accidental injury or illness as well as  
 20 medically appropriate services and supplies for certain types of preventive  
 21 care and other conditions, up to plan limits.

22 ***Acupuncture***

23 The plan covers medically necessary acupuncture for a covered illness or in  
 24 place of covered anesthesia. Treatment must be provided by a licensed  
 25 acupuncturist (L.A.C.), doctor of medicine (M.D.), or doctor of osteopathy  
 26 (D.O.). You can contact the service representative to determine if  
 27 acupuncture is covered for a particular condition.

1     ***Ambulance***

2     Professional ambulance services are covered to transport you from the place  
3     where you are injured or become ill to the first hospital where treatment is  
4     given. These services also are covered when the physician requires an  
5     ambulance to transport you to a hospital in your area of residence to protect  
6     your health or life. Air ambulance transportation is covered when medically  
7     necessary.

8     Ambulance service from one hospital to another, including return, is covered  
9     only if the facility is the nearest one with appropriate regional specialized  
10    treatment facilities, equipment, or staff physicians. Ambulance  
11    transportation from or to your home is covered when medically necessary.  
12    No other expenses in connection with travel are covered.

13    ***Centers of Excellence***

14    The plan offers a higher level of benefits for covered transplants and/or  
15    bariatric (weight loss) surgery at approved Centers of Excellence—facilities  
16    that specialize in a particular treatment. When you use a Center of  
17    Excellence, your eligible expenses will be paid at 100 percent. This means  
18    you will not be required to pay coinsurance. The deductible still applies  
19    where applicable. If you must travel a minimum of 75 miles from your  
20    residence to use a Center of Excellence, the plan also offers certain travel  
21    benefits. For additional information about this program, including facilities  
22    that qualify for the higher benefit level, call the member services number on  
23    the back of your medical plan ID card.

24    ***Christian Science Sanatorium***

25    Charges for a semiprivate room in a sanatorium are covered if you are  
26    admitted for the process of healing (not rest or study) and are under the care  
27    of an authorized Christian Science practitioner. If a private room in a  
28    sanatorium is used, you are responsible for the difference between the charge  
29    for the private room and the sanatorium's average charge for a semiprivate  
30    room. If the facility provides only private rooms, the plan covers up to the  
31    charge for semiprivate rooms in similar local facilities.

32    A Christian Science sanatorium is a facility that, at the time of the healing  
33    treatment, is operated (or listed) and certified by the First Church of Christ,  
34    Scientist, in Boston, Massachusetts.

35    ***Congenital Abnormalities and Hereditary Complications***

36    Medically necessary services and supplies are covered when required for the  
37    treatment of congenital abnormalities and hereditary complications. This  
38    coverage applies to newborn children as well as to all other persons covered  
39    under the plan.



1     ***Cosmetic Surgery***

2     The plan covers necessary services and supplies for cosmetic surgery only  
3     if the surgery is required for the prompt repair of an accidental injury or  
4     improvement of function due to congenital abnormality. All other surgery  
5     performed for cosmetic purposes is excluded, except as specifically  
6     provided for treatment after a mastectomy (see “Reconstructive Breast  
7     Surgery”).

8     ***Dental Repair of Accidental Injury***

9     Services and supplies for the prompt repair of sound natural teeth or other  
10    body tissues as a result of an accidental injury are covered, but only to the  
11    extent they are not covered by your Company-sponsored dental plan. This  
12    may include surgical procedures of the jaw, cheek, lips, tongue, and other  
13    parts of the mouth and treatment of fractures in the facial bones (maxilla or  
14    mandible).

15    ***Diagnostic X-Ray and Laboratory Services***

16    Diagnostic X-ray and laboratory examinations are covered, including those  
17    in connection with a voluntary second surgical opinion.

18    ***Durable Medical Equipment***

19    The plan covers the rental (or purchase, when approved by the service  
20    representative) of medically necessary durable medical or surgical  
21    equipment when prescribed by a physician. Covered equipment must be:

- 22    • Able to withstand repeated use.  
23    • Solely for the treatment or improvement of a critical function related to  
24    the medical condition.  
25    • Appropriate for use in the home.

26    Examples of covered durable medical equipment are crutches, wheelchairs,  
27    kidney dialysis equipment, standard hospital beds, oxygen equipment, and  
28    diabetic supplies and equipment such as blood glucose monitors, insulin  
29    infusion devices, and insulin pumps. Covered equipment must not be useful  
30    to a person in the absence of the medical condition.

31    The repair or replacement of durable medical equipment due to normal usage  
32    or change in the patient’s condition, including growth of a child, also is  
33    covered.

34    ***Emergency Room***

35    Emergency room treatment at either a network or nonnetwork facility is paid  
36    at the network level if it is a medical emergency. A patient admitted to a  
37    nonnetwork hospital retains emergency status (and benefits are paid at the  
38    network level) for 24 hours or until the patient can be transferred safely to a  
39    network facility. However, for care at a nonnetwork facility when the

1 condition is not a medical emergency, covered services are paid at the  
2 nonnetwork level.

### 3 ***Erectile Dysfunction***

4 Organic erectile dysfunction treatment is covered when the patient has a  
5 history of one or more of the following:

- 6 • Diabetes.
- 7 • Major pelvic surgery.
- 8 • Peripheral neuropathy or autonomic insufficiency.
- 9 • Peripheral vascular disease or local penile vascular abnormalities.
- 10 • Prostate cancer.
- 11 • Severe Peyronie’s disease.
- 12 • Spinal cord disease or injury.

13 Covered therapy includes vacuum erection devices, injection therapy, a  
14 penile prosthesis, urethral pellets, and prescription medications.

### 15 ***Hearing Aids***

16 Plan benefits include cost and installation of a hearing aid when  
17 recommended in writing by a physician or certified audiologist as well as  
18 the overhaul of a hearing aid in place of a new hearing aid. Benefit periods  
19 are described in the “Summary of Traditional Medical Plan Benefits” table.

### 20 ***Hemodialysis***

21 The plan covers repetitive hemodialysis treatment for chronic, irreversible  
22 kidney disease. Covered services and supplies include the rental, lease, or  
23 (under certain conditions) purchase of hemodialysis equipment. Purchase of  
24 specific supplies is contingent on the supplies having no real utility to the  
25 patient in the absence of the disease and having no value to other household  
26 members. Coverage of the purchase of equipment is subject to specific  
27 conditions, including an amortization period, decided by the service  
28 representative.

29 Hemodialysis treatment and equipment are covered by the plan for the first  
30 30 months following Medicare entitlement due to end-stage renal disease.  
31 After this 30-month period, Medicare provides primary coverage and the  
32 plan provides secondary coverage.

### 33 ***Home Health Care***

34 Medically necessary home health care visits and supplies are covered if  
35 inpatient care in a hospital or skilled nursing facility otherwise would be  
36 required. In addition, you must be considered homebound, which means  
37 leaving home involves a considerable and taxing effort and public  
38 transportation cannot be used without the help of another.

1 Home health care requires prior approval; see “Medical Review Program”.  
2 Before receiving home health care, the attending physician must provide a  
3 written treatment plan (a written program for continued care and treatment).  
4 The following home health care visits and supplies are covered if provided  
5 and billed by an approved home health care agency:

- Home health aide visits.
- Medical social visits provided by a person with a master’s degree in social work (M.S.W.).
- Medical supplies that would have been provided on an inpatient basis.
- Nursing visits provided by a registered nurse (R.N.) or licensed practical nurse (L.P.N.).
- Nutritional guidance by a registered dietitian.
- Nutritional supplements (such as diet substitutes) administered intravenously or through hyperalimentation.
- Occupational therapy visits provided by an occupational therapist.
- Physical therapy visits provided by a physical therapist.
- Physician services.
- Respiratory therapy visits provided by an inhalation therapist certified by the National Board of Respiratory Therapists.
- Services and supplies for infusion therapy. (Patients do not need to meet the treatment plan and homebound requirements.)
- Speech therapy visits provided by a speech therapist.

6 ***Hospice Care***

7 Hospice care is provided to terminally ill patients in an effort to control pain  
8 and other symptoms associated with terminal illness. The plan covers these  
9 services for a patient whose life expectancy has been determined to be 6  
10 months or less.

11 Hospice care requires prior approval; see “Medical Review Program”.  
12 Before receiving hospice care, the attending physician must provide a  
13 written treatment plan (a written program for continued care and treatment).

14 An approved hospice treatment plan may include both inpatient and  
15 outpatient care. If hospital inpatient care is approved, the plan covers hospice  
16 care on the same basis as for other types of hospital inpatient care. Skilled

1 nursing facility or hospital outpatient care also are covered for the hospice  
2 patient on the same basis as for other patients. The plan also covers  
3 prescription drugs and durable medical equipment for hospice care on the  
4 same basis as for other types of care.

5 The plan covers home health care visits and supplies listed in “Home Health  
6 Care” above if they are part of an approved hospice treatment plan and  
7 provided and billed by an approved hospice agency. An approved hospice  
8 agency is a public or private organization that administers and provides  
9 hospice care and is either Medicare approved or operating under the  
10 direction and control of the licensing or regulatory agency in its location.

11 In addition, the plan covers respite care services to provide temporary relief  
12 to family members and friends who care for the patient as shown in the  
13 “Summary of Traditional Medical Plan Benefits” table.

#### 14 ***Hospital Services***

15 The plan covers charges for a semiprivate room and medically necessary  
16 hospital services and supplies.

17 The cost of a private room is covered if medically necessary. If a private  
18 room is used when it is not medically necessary, the patient is responsible  
19 for the difference between the charge for the private room and the hospital’s  
20 average charge for a semiprivate room. If the hospital provides only private  
21 rooms, the plan covers up to the charge for semiprivate rooms in similar  
22 local facilities.

23 Advance approval is needed for:

- 24 • Nonemergency admissions (see “Medical Review Program”).
- 25 • Inpatient mental health and substance use disorder treatment or outpatient  
26 electroconvulsive therapy (see “Mental Health and Substance Use  
27 Disorder Program” below).

28 The plan covers services of an approved freestanding surgical center or  
29 hospital-based emergency facility if such services would be covered if  
30 received in a hospital.

#### 31 ***Infertility***

32 The plan covers the following services in connection with the diagnosis  
33 and treatment of infertility:

- 34 • Diagnostic tests necessary to determine the cause of infertility.
- 35 • Surgical correction of a condition causing or contributing to infertility.
- 36 • Conventional medical treatment such as office visits, laboratory services,  
37 and prescription drugs for infertility.

1 ***Mental Health and Substance Use Disorder Program***

2 The Boeing mental health and substance use disorder program provides  
3 benefits for mental health treatment and substance use disorder treatment  
4 (including abuse of or addiction to alcohol, recreational drugs, or  
5 prescription drugs). The program is administered by the Boeing behavioral  
6 health manager.

7 To be reimbursed under the plan, all mental health and substance use  
8 disorder treatment must be determined medically necessary. When treatment  
9 is obtained from a referred provider, the plan payment level is higher. All  
10 care is reviewed for medical necessity whether or not you contact the Boeing  
11 behavioral health manager.

12 **Mental Health Treatment Coverage.** The plan covers medically necessary  
13 mental health treatment from any provider contracted with the Boeing  
14 behavioral health manager, including any licensed clinical psychologist,  
15 hospital or treatment facility, psychiatric doctor (M.D.), psychiatric nurse  
16 (R.N.), or professional at the master’s level or above who is licensed in the  
17 area where services are performed.

18 If the mental health treatment is related to, accompanies, or results from  
19 substance use disorder, coverage is provided solely under substance use  
20 disorder provisions.

21 **Substance Use Disorder Treatment Coverage.** The plan covers medically  
22 necessary alcoholism treatment and other types of substance use disorder  
23 treatment at an approved treatment facility or hospital as well as physician  
24 and licensed therapist services and prescription drugs. The treatment,  
25 services, and drugs must be part of a specific treatment plan prepared by  
26 your attending physician and certified as covered under the plan. (An  
27 approved substance use disorder treatment facility is one that treats chronic  
28 alcoholism and/or drug abuse that is licensed and regulated by the  
29 appropriate governmental agency in its location.)

30 The plan covers detoxification only if followed immediately by a  
31 rehabilitation program. To receive coverage for substance use disorder  
32 treatment, you must complete the prescribed course of treatment.

33 ***Neurodevelopmental Therapy***

34 The plan covers neurodevelopmental therapy for children. In-home  
35 neurodevelopmental therapy is covered if the patient is homebound.  
36 Therapists must meet licensing or certification requirements as described  
37 below.

38 Neurodevelopmental therapy is physical, occupational, and speech therapy  
39 for treatment of neurodevelopmental delay. Neurodevelopmental delay

1 means lack of development of motor or speech function not due to injury or  
2 trauma.

### 3 ***Occupational, Physical, and Speech Therapy***

4 Certain types of therapy are covered, but only to the extent that the therapy  
5 will significantly restore function. To be covered, the services of a physical  
6 therapist for physical therapy, an occupational therapist for occupational  
7 therapy, and a speech therapist for speech therapy must be prescribed by a  
8 physician as to type and duration of treatment.

9 Services must be provided under a physician's supervision while you remain  
10 under the attending physician's care. The physician must reevaluate the  
11 therapy at least every 3 months and certify that continuing therapy is  
12 required. All therapy beyond 3 months must be approved by the service  
13 representative. Benefit determination is based on the attending physician's  
14 evaluation of the therapy as well as the therapist's progress reports. The  
15 information from the physician and therapist is then reviewed against  
16 established medical criteria to determine medical necessity.

17 No benefits are payable for therapy given at the therapist's discretion,  
18 elected by the covered person, for any treatment for delayed development or  
19 therapy that is solely for the purpose of slowing body degeneration rather  
20 than restoring functional improvement, custodial maintenance, self-help,  
21 recreational, or educational therapy.

22 **Licensing and Certification Requirements.** Occupational, physical, and  
23 speech therapists must meet licensing or certification requirements as  
24 follows:

- 25 • The therapist must be duly licensed in the areas where services are  
26 performed and must be practicing within the scope of that license.
- 27 • In the absence of licensing requirements, the therapist must be certified as  
28 a registered:
  - 29 - Occupational therapist by the American Occupational Therapy  
30 Association.
  - 31 - Physical therapist by the American Physical Therapy Association.
  - 32 - Speech therapist by the American Speech and Hearing Association.

### 33 ***Oral Surgery***

34 The plan covers certain services and supplies provided by a physician or  
35 dentist to the extent they are approved by the service representative and are  
36 not covered under a dental plan.

1 ***Orthopedic Appliances and Braces; Orthotics***

2 Braces, splints, orthopedic appliances, and orthotic supplies are covered.  
3 This includes necessary repair and replacement required by normal usage or  
4 change in the patient's condition such as growth of a child. Orthopedic  
5 shoes, lifts, wedges, and inserts (orthotics) are covered if prescribed by a  
6 physician and custom made for the patient. These items are covered as part  
7 of the durable medical equipment benefits. Over-the-counter items will not  
8 be covered.

9 ***Oxygen and Anesthesia***

10 The plan covers oxygen and anesthesia.

11 ***Physician Services***

12 Services of a licensed physician generally are covered when medically  
13 necessary for the diagnosis or treatment of nonoccupational accidental  
14 injuries, illnesses, or other covered conditions. (See definition of physician.)  
15 Physician services also are covered for:

- 16 • An eye examination (including refraction) if performed because of  
17 another medical condition such as diabetes, glaucoma, or cataracts  
18 (routine eye examinations are covered under the vision care program).
- 19 • Antigen, allergy vaccine, insulin, and other drugs and devices (including  
20 contraceptive injections, devices, and implants) dispensed by a physician.
- 21 • Injectable legend drugs administered in a physician's office and used to  
22 treat a covered condition.
- 23 • Preventive care.
- 24 • Voluntary second surgical opinions.

25 **Other Professional Services.** The plan covers certain health care services  
26 when provided either by a physician or another type of health care  
27 professional. All health care professionals must be licensed by the state  
28 where the services are performed and must be acting within the scope of that  
29 license. In the absence of licensing requirements, appropriate certification is  
30 required.

31 Covered health care professionals include:

- 32 • Acupuncturists (L.A.C.) for covered acupuncture services.
- 33 • Chiropractors providing covered chiropractic services.
- 34 • Christian Science practitioners listed in the current *Christian Science*  
35 *Journal* at the time they provide a service.
- 36 • Clinical psychologists and master's level therapists for mental health or  
37 substance use disorder treatment for conditions covered under the plan.

- 1 • Dentists for covered dental work or surgery.
- 2 • Neurodevelopmental, occupational, physical, and speech therapists.
- 3 • Physician assistants for services that would have been covered if
- 4 performed by a physician licensed as an M.D. or D.O.
- 5 • Podiatrists providing covered podiatric services.
- 6 • Registered nurses (R.N.) for services that would have been covered if
- 7 performed by a physician licensed as an M.D. or D.O. The plan also covers
- 8 intermittent visits by an R.N. when skilled care in place of hospitalization
- 9 is not available through an alternative provider at a lesser cost.

10 ***Pregnancy-Related Conditions and Coverage of Newborns***

11 Medically necessary services and supplies are covered for pregnancy-related  
12 conditions of you and your dependents if they are provided while covered  
13 under the plan.

14 Covered pregnancy-related conditions include normal delivery, cesarean  
15 section, spontaneous abortion (miscarriage), legal abortion, and  
16 complications of pregnancy.

17 Approved birthing center services are covered if they would be covered  
18 when received in a hospital. (A birthing center is a facility for normal  
19 delivery operating under the direction and control of the licensing or  
20 regulatory agency in its location.)

21 Group health plans and health insurance issuers generally may not, under  
22 Federal law, restrict benefits for any hospital length of stay in connection  
23 with childbirth for the mother or newborn child to less than 48 hours  
24 following a vaginal delivery or less than 96 hours following a cesarean  
25 section. However, Federal law generally does not prohibit the mother's or  
26 newborn's attending provider, after consulting with the mother, from  
27 discharging the mother or her newborn earlier than 48 hours (or 96 hours, as  
28 applicable). In any case, plans and issuers may not, under Federal law,  
29 require that a provider obtain authorization from the plan or the insurance  
30 issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

31 A newborn is eligible from the date of birth if he or she qualifies as your  
32 dependent and is enrolled within applicable changes in status time frames.  
33 The following services and supplies are covered for an enrolled newborn,  
34 subject to the plan's annual deductible, copayments, and benefit payment  
35 levels:



1 • Routine hospital services and supplies and physician services during the  
2 first 48 hours following a normal delivery or 96 hours following a  
3 cesarean section.

4 • Medically necessary hospital and physician services and supplies.

5 Coverage of a newborn continues as long as the child remains an eligible  
6 dependent and is enrolled in the plan.

### 7 ***Preventive Care***

8 The plan covers the following preventive care if you use a network provider  
9 and you live in the network service area. (If you do not live in the network  
10 service area, you may use any licensed provider.)

11 • Routine well-baby care from birth.

12 • Routine pediatric, routine gynecological, and adult physical examination.

13 • Pediatric and adult immunizations.

14 • Office visits and related laboratory and X-ray service, including routine  
15 hearing examinations, Papanicolaou (Pap) tests, routine mammography  
16 and prostate cancer screening, and routine colorectal cancer screening  
17 services, such as colonoscopies.

18 Preventative care services (such as routine physical examinations), tests, and  
19 immunizations are covered as recommended by the U.S. Preventative  
20 Services Task Force, the Advisory Committee on Immunization Practices of  
21 the Centers for Disease Control and Prevention, or the U.S. Health  
22 Resources and Services Administration in accordance with the Affordable  
23 Care Act.

### 24 ***Prostheses***

25 Artificial limbs, artificial eyes, and other prostheses to replace a missing  
26 body part are covered, including the necessary repair and replacement  
27 required by normal usage or change in the patient's condition such as growth  
28 of a child.

### 29 ***Radiation and Chemotherapy***

30 The plan covers radiation therapy (including X-ray therapy) and  
31 chemotherapy.

### 32 ***Reconstructive Breast Surgery***

33 Covered individuals who have had or are going to have a mastectomy may  
34 be entitled to certain benefits under the Women's Health and Cancer Rights  
35 Act of 1998 (WHCRA). For individuals receiving mastectomy-related  
36 benefits, coverage will be provided, in a manner determined in consultation  
37 with the attending physician and the patient, for:

- 1 • All stages of reconstruction of the breast on which the mastectomy was  
2 performed.
- 3 • Surgery and reconstruction of the other breast to produce a symmetrical  
4 appearance.
- 5 • Prostheses.
- 6 • Treatment of physical complications of the mastectomy, including  
7 lymphedemas.

8 These benefits are provided subject to the same deductible, copayment, and  
9 coinsurance applicable to other medical and surgical benefits provided under  
10 this plan.

### 11 ***Skilled Nursing Facility***

12 The plan covers charges for a semiprivate room in a skilled nursing facility  
13 as well as medically necessary services and supplies when provided in place  
14 of covered hospital inpatient care. Skilled nursing facility services also are  
15 covered for a terminally ill patient when the illness has reached a point of  
16 predictable end. Nonemergency admissions must be approved in advance;  
17 see “Medical Review Program”.

18 A skilled nursing facility is an institution approved as such by Medicare. If  
19 a private room is used, you are responsible for the difference between the  
20 charge for the private room and the facility’s average charge for a  
21 semiprivate room. If the facility provides only private rooms, the plan covers  
22 up to the charge for semiprivate rooms in similar local facilities.

### 23 ***Spinal and Extremity Manipulations***

24 This plan covers spinal and extremity manipulations by an approved  
25 provider, such as a doctor of medicine (M.D.), a doctor of osteopathy (D.O.),  
26 or a chiropractic doctor (D.C.), for spinal and extremity manipulations  
27 performed by hand. Related services, such as an initial examination and  
28 initial X-rays, also are covered.

### 29 ***Substance Use Disorder Treatment***

30 See “Mental Health and Substance Use Disorder Program”.

### 31 ***Temporomandibular Joint Dysfunction and Myofascial Pain 32 Dysfunction Syndrome (TMJ/MPDS) Treatment***

33 The plan covers the following surgical and nonsurgical services and supplies  
34 to treat TMJ/MPDS when provided by a physician or dentist:

- 35 • Appliance management, including kinesitherapy, physical therapy,  
36 biofeedback therapy, joint manipulation, prescription drugs, injections of  
37 muscle relaxants, and therapeutic drugs or agents.

- 1 • Appliances, including night guards, bite plates, orthopedic repositioning
- 2 devices, or mandibular orthopedic devices.
- 3 • Follow-up office visits.
- 4 • Initial diagnostic examinations and X-rays.
- 5 • Surgical procedures and related hospitalizations.
- 6 • It is recommended that you obtain preapproval from the service
- 7 representative for all TMJ/MPDS treatment, in accordance with written
- 8 guidelines (including those for medical necessity).

### 9 ***Tobacco and Nicotine Cessation***

10 The plan covers tobacco and nicotine cessation services that are provided by  
11 a physician, another health care professional who is practicing within the  
12 scope of his or her license, and an approved tobacco and nicotine cessation  
13 provider.

### 14 ***Transplants***

15 The plan covers medically necessary services and supplies related to covered  
16 transplants. Transplants that are part of an approved clinical trial also may  
17 be covered. Contact the service representative for more information about  
18 covered services and supplies as well as maximums.

19 If you or your covered dependent receives a human organ or tissue transplant  
20 covered by this plan, certain donor organ procurement costs also may be  
21 covered. Benefits are limited to selection, removal of the organ, storage,  
22 transportation of the surgical harvesting team and the organ, and other  
23 medically necessary procurement costs.

24 See “Centers of Excellence” for a description of a higher level of benefits  
25 for covered transplants at approved Centers of Excellence. For further  
26 details about this program, including facilities that qualify for the higher  
27 benefit level, call the member services number on the back of your medical  
28 plan ID card.

### 29 ***Vasectomy or Tubal Ligation***

30 The plan covers services and supplies required for a vasectomy or tubal  
31 ligation, but not those related to a reversal.

## 1 **Exclusions**

2 Charges for the following items are deducted from a health care provider's  
3 bill before the plan pays benefits for covered services and supplies. The plan  
4 does not pay charges for or related to the following:

- 5 • Accident or illness covered by a workers' compensation law.
- 6 • Amounts exceeding allowed charges or usual and customary charges. An  
7 allowed charge is the amount that would have been paid for like services  
8 or supplies to a network provider; (for participants entitled to Medicare,  
9 an allowed charge is the Medicare allowed charge).
- 10 • Benefits payable under any automobile medical, personal injury  
11 protection (PIP), automobile no-fault, automobile uninsured or  
12 underinsured motorist, homeowner's, or commercial premises medical  
13 coverage, when that contract or insurance is issued to or provides benefits  
14 available to the patient. Any benefits paid by the plan before benefits are  
15 paid under one of these other types of contracts or insurance are to assist  
16 the patient, and do not indicate the service representative is acting as a  
17 volunteer or waiving any right to reimbursement or subrogation.
- 18 • Completion of claim forms or reports.
- 19 • Confinement or surgical, medical, or other treatment, services, or supplies  
20 received in or from a U.S. Government hospital, except as required by  
21 law.
- 22 • Custodial care as follows:
  - 23 - Care that does not require the continuing services of skilled medical or  
24 health professionals and primarily is provided to assist in activities of  
25 daily living.
  - 26 - Institutional care primarily to support self-care and provide room and  
27 board.Custodial care includes, but is not limited to, help in walking, getting into  
28 and out of bed, bathing, dressing, feeding, preparing special diets, and  
29 supervising medications that ordinarily are self-administered.
- 30 • Dental services except as otherwise specifically provided.
- 31 • Dyslexia, visual analysis therapy, or training related to muscular  
32 imbalance of the eye or for orthoptics. However, coverage is provided for  
33 up to 6 months when necessary to correct muscle imbalance (strabismus,  
34 esotropia, or exotropia) if treatment begins before the person's 12th  
35 birthday.
- 36 • Education, special education, or job training—whether or not by a facility  
37 that also provides medical or psychiatric care.  
38

- 1 • Equipment or supplies not solely related to the medical care of a diagnosed  
2 illness or injury; examples include, but are not limited to:
  - 3 - Adjustable bed.
  - 4 - Any luxury or convenience item or supply.
  - 5 - Environmental control devices (air conditioners, purifiers, humidifiers).
  - 6 - Equipment used primarily to prevent illness or injury.
  - 7 - General exercise equipment.
  - 8 - Items designed primarily to assist a person caring for the patient.
  - 9 - Items generally useful in the absence of a medical condition.
  - 10 - Modification to home (wheelchair ramps, support railings), automobile,  
11 or van (ramps, lifts).
  - 12 - Orthopedic chair.
  - 13 - Personal hygiene items.
  - 14 - Special car seat.
  - 15 - Swimming pool, spa, or whirlpool.
- 16 • Experimental or investigational services or supplies or related  
17 complications.
- 18 • Full-body computerized axial tomography (CAT) scans or other full-body  
19 imaging other than at a hospital or an institution having an agreement with  
20 a hospital to supply these services. However, expenses are covered under  
21 other circumstances if the equipment is required and certified by the  
22 physician for immediate use to diagnose a potentially life-threatening  
23 condition or if the services are provided at a physician's office, clinic or  
24 other institution approved by the Company for other than emergency use.
- 25 • Hearing aid care as listed below:
  - 26 - Eyeglass-type hearing aids to the extent the charge exceeds the covered  
27 amount for hearing aids.
  - 28 - Hearing or audiometric examinations, unless disease is present;  
29 however, hearing examinations are covered if performed as part of a  
30 covered preventive care physical examination.
  - 31 - Hearing aids ordered before you become eligible for coverage or after  
32 coverage terminates.
  - 33 - Hearing aids ordered before termination of coverage but delivered more  
34 than 60 days after coverage ends.

- 1 - Hearing aids that do not meet professionally accepted standards,  
2 including any experimental services or supplies.
- 3 - Replacement batteries.
- 4 - Replacement of lost, broken, or stolen hearing aids, unless the 3-year  
5 period has been exhausted.
- 6 - Replacement parts for hearing aid repair, unless part of an overhaul after  
7 3 years.
- 8 • Home health care and hospice care services as listed below:
  - 9 - Homemaker or housekeeping services.
  - 10 - Hospice services of financial, legal, or spiritual counselors.
  - 11 - Hospice services to other family members, including bereavement  
12 counseling.
  - 13 - Maintenance or custodial care.
  - 14 - Psychiatric care.
  - 15 - Services provided by volunteers, household members, family, or  
16 friends.
  - 17 - Social services.
  - 18 - Supplies or services not included in the written home health or hospice  
19 care treatment plan or not otherwise covered.
  - 20 - Unnecessary or inappropriate services, food, clothing, housing, or  
21 transportation.
- 22 • Infertility services or supplies not specifically covered, including but not  
23 limited to any tests, visits, consultations, or treatment related to, leading  
24 to, or resulting in one of the noncovered services listed below.
  - 25 - Artificial insemination.
  - 26 - Consecutive follicular ultrasounds, cycle therapy, or corresponding  
27 laboratory tests when associated with any artificial means of  
28 conception.
  - 29 - Embryo transfer.
  - 30 - Fertility drugs when associated with artificial means of conception.
  - 31 - Gamete intrafallopian transfer (GIFT).
  - 32 - In vitro fertilization.
  - 33 - Microinjections.
  - 34 - Sperm preparation.
  - 35 - Sperm separation.
  - 36 - Zona drilling.

- 1 • Missed appointments.
- 2 • Impotence that is not the result of a diagnosed, covered medical or mental  
3 health condition.
- 4 • Obesity services and supplies unless approved in advance by the service  
5 representative in accordance with written guidelines. (A copy of the  
6 guidelines may be requested by calling the service representative.)
- 7 • Over-the-counter items, including but not limited to medications and  
8 orthopedic appliances and braces (unless otherwise covered under the  
9 prescription drug or durable medical equipment benefit).
- 10 • Prescription drugs unless covered as part of a hospital stay; see the  
11 “Prescription Drug Program” section for outpatient prescription drug  
12 benefits.
- 13 • Recovery houses, school programs, or emergency service patrols.
- 14 • Reversal of a sterilization procedure.
- 15 • Refractive surgery including radial keratotomy, Lasik, or other eye  
16 surgery to correct refractive errors, except when preoperative visual acuity  
17 is 20/50 or less with a lens.
- 18 • Services or supplies the service representative determines are not  
19 medically necessary for treatment of an accidental injury, illness, or other  
20 condition covered under the plan. This includes routine physical  
21 examinations, immunizations, or other preventive services or supplies,  
22 except as specifically provided by the plan.
- 23 Inpatient hospital care (including physician visits while hospitalized) is  
24 not considered medically necessary when the care can be provided safely  
25 in an outpatient setting—such as a hospital outpatient department,  
26 physician’s office, or an ambulatory surgical facility—without adversely  
27 affecting your physical condition.
- 28 Examples of care that generally should be provided in an outpatient setting  
29 include observation and/or diagnostic studies, surgery that can be  
30 performed on a same-day basis, and psychiatric care primarily to control  
31 or change the patient’s environment.
- 32 • Services or supplies for which no charge is made or charges you or your  
33 dependent is not required to pay.
- 34 • Services or supplies not recommended and approved by a physician or  
35 other covered health care professional or those provided before the person  
36 becomes covered under this plan.
- 37 • Services or supplies required by law to be provided by any school system.

- 1 • Services or supplies to the extent they are covered under any discontinued  
2 Company-sponsored plan.
- 3 • Services or supplies covered under any Federal, state, or other government  
4 plan, except where required by law.
- 5 • Sex transformation treatment or services, except when medically  
6 necessary to treat a mental health condition (e.g., gender dysphoria).
- 7 • Skilled nursing facility services when they are not usually provided by  
8 such facilities or are not expected to lessen the disability and enable the  
9 person to live outside the facility. However, skilled nursing facility  
10 services are covered for the terminal patient when the illness has reached  
11 a point of predictable end.
- 12 • Transplant services or supplies as listed below:
  - 13 - Donor or procurement services or costs incurred outside the United  
14 States, unless specifically approved by the service representative.
  - 15 - Donor services or supplies when donor benefits are available through  
16 other group coverage.
  - 17 - Expenses for that portion of treatment funded by government or private  
18 entities as part of an approved clinical trial.
  - 19 - Expenses when the recipient is not covered under the medical plan.
  - 20 - Experimental or investigational services or supplies unless they are part  
21 of an approved clinical trial.
  - 22 - Living (noncadaver) donor transplants that are not specifically  
23 authorized and covered by the medical plan.
  - 24 - Lodging, food, or transportation costs, unless otherwise specifically  
25 provided under the medical plan.
  - 26 - Nonhuman, artificial, or mechanical transplants, unless specifically  
27 approved by the service representative.
- 28 • Vision care (routine or refractive) except as specifically provided (for  
29 active employees, routine or refractive vision care program benefits  
30 apply).
- 31 • Wigs or hair prostheses.



## 1 **Definitions**

2 **Benefit Year** is January 1 through December 31, annually.

3 **Company-Sponsored Plan** is a group medical or dental plan provided by the  
4 Company (or a subsidiary or affiliate) for employees and dependents. This  
5 includes the plan described in this summary. (To find out whether a  
6 particular plan is Company-sponsored, contact the Boeing Service Center  
7 for Health and Insurance Plans.)

8 **Dentist** is a legally qualified dentist practicing within the scope of his or her  
9 license.

10 **Emergency** is the sudden, unexpected onset of serious illness or severe  
11 injury that could result in (or a prudent person would have reason to believe  
12 could result in) death, permanent damage or impairment of bodily function,  
13 or loss of limb use if not treated immediately. For mental health and  
14 substance use disorder coverage, a situation is also considered an emergency  
15 when there is imminent danger to you or others, or you are medically  
16 compromised as a result of mental health condition or substance use  
17 disorder.

18 **Medically Necessary Service or Supply** meets the following criteria, as  
19 determined by the service representative. A service or supply may be  
20 medically necessary in part only. The fact the service or supply is furnished,  
21 prescribed, recommended, or approved by a physician does not, by itself,  
22 make it medically necessary. A service or supply is medically necessary if it  
23 is:

- 24 • Appropriate as good medical practice.
- 25 • Consistent with the condition's symptom or diagnosis and treatment.
- 26 • Not able to be provided safely in an outpatient setting (for an inpatient  
27 service or supply).
- 28 • Professionally and broadly accepted as the usual, customary, and effective  
29 means of diagnosing or treating the illness, injury, or condition.
- 30 • Required to diagnose or treat your condition and the condition could not  
31 have been diagnosed or treated without it.
- 32 • The most appropriate service or supply essential to your needs.

33 **Mental Health Condition** is a disorder (including an eating disorder) that  
34 exhibits signs, symptoms, history, and other characteristics congruent with  
35 those required for a mental disorder diagnosis enumerated in the  
36 *International Classification of Diseases*, 10<sup>th</sup> Revision (ICD-10).

1 **Nurse** is a person duly licensed as a registered nurse (R.N.) in the area where  
2 his or her services are performed and practicing within the scope of that  
3 license.

4 **Physician** is a person licensed as a medical doctor (M.D.) or doctor of  
5 osteopathy (D.O.) duly licensed to prescribe and administer all drugs and to  
6 perform surgery.

7 **Psychologist** is a person duly licensed as a clinical psychologist in the area  
8 where his or her services are performed and practicing within the scope of  
9 that license.

10 **Service Representative** is an agent that has a contract with the Company to  
11 make benefit determinations and administer benefit payments under the plan  
12 and programs described in this summary. The Company may change a  
13 service representative at any time.

14 **Substance Use Disorder** is an alcohol or drug-related disorder that exhibits  
15 signs, symptoms, history, and other characteristics congruent with those  
16 required for a substance-related disorder as enumerated in the *International*  
17 *Classification of Diseases*, 10<sup>th</sup> Revision (ICD-10).

## 18 **Traditional Medical Plan Schedule of Benefits**

19 The Traditional Medical Plan will be as described in the following  
20 “Traditional Medical Plan Schedule of Benefits.”

<b>Traditional Medical Plan Schedule of Benefits</b>		
The Traditional Medical Plan is administered by BlueCross BlueShield of Illinois (the service representative).		
	<b>Network</b>	<b>Nonnetwork</b>
<b>Annual Deductible</b>	\$400 per individual; \$1,200 per family of 3 or more, but not more than \$400 for any individual	\$800 per individual; \$2,400 per family of three or more, but not more than \$800 for any individual Nonnetwork charges will apply to the network deductible

### Traditional Medical Plan Schedule of Benefits

The Traditional Medical Plan is administered by BlueCross  
BlueShield of Illinois (the service representative).

	Network	Nonnetwork
<b>Office Visit Copayment</b> (annual deductible does not apply)	\$30 office visit copayment applies to primary care office visit \$40 office visit copayment applies to specialist office visit (including chiropractic)	Does not apply; charges of nonnetwork providers are subject to the annual deductible and coinsurance
<b>Coinsurance</b>	90%	60%
<b>Annual Medical Out-of-Pocket Maximum</b> (includes the annual deductible)	\$2,400 per individual; \$5,700 per family of 3 or more, but not more than \$2,400 for any 1 person	
<b>Lifetime Maximum Benefit</b>	None	
<b>Centers of Excellence</b>	100% for plan-identified Centers of Excellence for specified transplants and bariatric surgery plus specified travel expenses; for information about this program, including facilities that qualify for the higher benefit level, see “Centers of Excellence” on page 236.	
<b>Hospital Services and Supplies</b>	90%	60%

### Traditional Medical Plan Schedule of Benefits

The Traditional Medical Plan is administered by BlueCross  
BlueShield of Illinois (the service representative).

	Network	Nonnetwork
<b>Emergency Room</b>		
Medical Emergency	\$75 copayment, then 90% (copayment waived if you are admitted as an inpatient immediately after emergency room care)	See network provisions
All Other Treatment	90% after \$75 copayment	60% after \$50 copayment
<b>Mental Health Treatment</b> (including eating disorders)		
Covered Inpatient, Partial Hospital, Residential, or Intensive Outpatient Services	90%	60%
Other Covered Outpatient Services	100%	60%
<b>Tobacco and Nicotine Cessation Treatment</b>		
Covered physician, health care professional, and approved provider charges	100% (annual deductible does not apply)	

### Traditional Medical Plan Schedule of Benefits

The Traditional Medical Plan is administered by BlueCross  
BlueShield of Illinois (the service representative).

	Network	Nonnetwork
<b>Substance Use Disorder Treatment</b>		
Covered Inpatient, Partial Hospital, Residential, Detoxification or Intensive Outpatient, Services	90%	60%
Other Covered Outpatient Services	100%	60%
<b>Preventive Care</b>		
Routine Physical Examinations (for employees, spouses and dependents over age 18)	100% covered according to prescribed guidelines (deductible does not apply)	Not covered when received in a network service area
Well Child Benefits	100% covered according to prescribed guidelines (deductible does not apply)	Not covered when received in a network service area
<b>Temporomandibular Joint Dysfunction and Myofascial Pain Dysfunction Syndrome (TMJ/MPDS) Treatment</b>	50%	

- 1 Prescription drug benefits are as shown in the “Prescription Drug Program”
- 2 section. Vision care benefits, as shown in the “Vision Care Program”
- 3 section, will continue to apply to active employees.

## 1 **Vision Care Program**

2 The vision care program described in this section is available to active  
3 employees and dependents enrolled in the Traditional Medical Plan and  
4 Selections Plans.

### 5 **Vision Care Program Schedule of Benefits**

<b>Vision Care Program Schedule of Benefits</b>	
The vision care program is administered by Davis Vision (the service representative).	
<b>Services and Supplies</b>	<b>Davis Vision Plan</b>
<b>Eye Examinations</b>	Paid in full after \$15 copayment for Davis Vision network provider; up to \$50 for nonnetwork provider
<b>Lenses (2):</b>	
Single vision	\$50*
Bifocal	\$80*
Trifocal	\$95*
Lenticular	\$155*
<b>Frames</b>	\$90*
<b>Contact Lenses</b> (in place of allowances for conventional lenses and frames above)	\$120*
* Davis Vision network providers offer a 20% discount on complete pairs of prescription glasses and a 15% discount on contact lens examinations (evaluation and fitting); you pay the Davis Vision network provider only the excess over the amounts shown in the schedule above. Nonnetwork provider charges for lenses, frames, and contact lenses are reimbursed up to the amounts shown in the schedule above; no discount applies.	

### 6 **Covered Vision Services and Supplies**

7 The program covers the following vision care services and supplies (up to  
8 the amounts shown in the Schedule of Benefits):

- 9 • Complete eye examination of visual function, performed by a licensed  
10 ophthalmologist or optometrist.  
11 • Contact lenses if elected in place of conventional lenses and frames.

- 1 • Frames required for prescription lenses.
- 2 • Prescription lenses.
- 3 • Prescription safety glasses, subject to the schedule of benefits immediately
- 4 above.

## 5 **Benefit Payment Levels**

6 See the Schedule of Benefits above for payment levels.

7 *Patients incur an additional charge for noncovered lens options such as lens*  
8 *coatings or hardening, tints, photochromic, polycarbonate, and scratch-*  
9 *resistant or shatter-resistant lenses.*

10 Other vision care services are not covered under this program, but some may  
11 be covered as a medical condition under the Traditional Medical Plan.

## 12 **Benefit Limitations**

13 Benefits are provided for 1 eye examination every benefit year and 2 sets of  
14 lenses and 2 frames every 2 years (network and nonnetwork combined). In  
15 addition, one set of prescription safety glasses will be provided every two  
16 (2) years. The program covers contact lenses when purchased in place of  
17 conventional lenses and frames. Any replacement of lost, stolen, or broken  
18 lenses and/or frames is subject to the two-set limit, subject to Article 16.4(a).

## 19 **Vision Care Program Exclusions**

20 The following vision care expenses are not covered:

- 21 • Corrective vision treatment of an experimental nature. (Experimental  
22 nature means a procedure or lens not used universally or accepted by the  
23 vision care profession, as determined by the service representative.)
- 24 • Costs above the maximum covered expenses.
- 25 • Lens options (such as coatings or hardening, tints, photochromic,  
26 polycarbonate, or scratch-resistant or shatter-resistant lenses).
- 27 • Medical or surgical treatment of the eye. (However, Davis Vision will  
28 offer discounts for refractive surgery.)
- 29 • Orthoptics or vision training or any associated supplemental testing;  
30 dyslexia.
- 31 • Plano lenses (less than a  $\pm 0.38$  diopter power), nonprescription glasses, 2  
32 pair of glasses instead of bifocals, or extra charge for progressive lenses  
33 in excess of the bifocal allowance.
- 34 • Services or supplies not listed as covered expenses.

- 1 • Services or supplies received more than 180 days after the service  
2 representative authorizes vision care benefits.
- 3 • Services or supplies received while not covered or lenses or frames  
4 furnished or ordered before coverage begins.
- 5 • Solutions and/or cleaning products for glasses or contact lenses.
- 6 • Special supplies, such as nonprescription sunglasses or subnormal vision  
7 aids.

## 8 **Prescription Drug Program**

9 The prescription drug program described in this section is available to  
10 employees and dependents enrolled in the Traditional Medical Plan.

11 This program offers 2 coverage options for prescription drugs and  
12 medicines:

- 13 • Retail pharmacy card program—you can use the pharmacy card to obtain  
14 covered prescriptions from a participating retail pharmacy.
- 15 • Mail service program.

16 A formulary applies to all retail pharmacy and mail order purchases. (A  
17 formulary is a list of drugs determined to be effective in both cost and  
18 treatment and approved by the Food and Drug Administration (FDA). A  
19 nonformulary drug also may be effective for treatment, but is not as cost-  
20 effective as formulary or generic drugs. A group of practicing physicians  
21 and pharmacists routinely reviews drugs to include in the formulary. If  
22 clinical data show several drugs are equally effective, the most cost-effective  
23 drug usually is chosen. The formulary may change from time to time.)

24 There are 3 categories of prescription drug purchases:

- 25 • **Generic**—drugs that are chemically and therapeutically equivalent to  
26 their brand-name counterparts but usually cost less.
- 27 • **Brand-name formulary**—brand-name drugs selected for the formulary  
28 based on cost and effectiveness.
- 29 • **Brand-name nonformulary**—brand-name drugs not selected for the  
30 formulary.

31 The program includes utilization management services and generic  
32 incentives (see “Pharmacy Management” and “Member Pay the Difference  
33 Generic Incentive Program” below) to help ensure cost-effective, clinically  
34 appropriate treatment.



# 1 Prescription Drug Program Schedule of Benefits

<b>Prescription Drug Program Schedule of Benefits</b> The prescription drug program is administered by Prime Therapeutics (the service representative).			
	Generic	Brand-Name Formulary*	Brand-Name Nonformulary*
<b>Annual Prescription Drug Out-of-Pocket Maximum</b>	<p><b><u>Through December 31, 2024:</u></b>                      \$7,050 per individual                      \$13,200 per family of two or more</p> <p><b><u>Effective January 1, 2025:</u></b>                      \$6,800 per individual                      \$12,700 per family of two or more</p> <p><b><u>Effective January 1, 2026:</u></b>                      \$4,000 per individual                      \$8,000 per family of two or more</p>		
<b>Participating Pharmacy</b> (up to a 30-day supply)	\$5 copayment	\$25 copayment if no generic is available OR if you are approved through the review process. Otherwise, if a brand-name drug is purchased when an equivalent generic is available—whether you or your physician requests the brand-name drug—you will pay the generic copayment plus	\$40 copayment if no generic is available OR if you are approved through the review process. Otherwise, if a brand-name drug is purchased when an equivalent generic is available—whether you or your physician requests the brand-name drug—you will pay the generic

## Prescription Drug Program Schedule of Benefits

The prescription drug program is administered by  
Prime Therapeutics (the service representative).

	<b>Generic</b>	<b>Brand-Name Formulary*</b>	<b>Brand-Name Nonformulary*</b>
		the cost difference of the brand-name drug and generic drug.	copayment plus the cost difference of the brand-name drug and generic drug.
<b>Mail Service Program</b> (up to a 90-day supply)**	\$10 copayment	\$60 copayment if no generic is available OR if you are approved through the review process. Otherwise, if a brand-name drug is purchased when an equivalent generic is available—whether you or your physician requests the brand-name drug—you will pay the generic copayment plus the cost difference of the brand-name drug and generic drug.	\$100 copayment if no generic is available OR if you are approved through the review process. Otherwise, if a brand-name drug is purchased when an equivalent generic is available—whether you or your physician requests the brand-name drug—you will pay the generic copayment plus the cost difference of the brand-name drug and generic drug.

## Prescription Drug Program Schedule of Benefits

The prescription drug program is administered by  
Prime Therapeutics (the service representative).

	<b>Generic</b>	<b>Brand-Name Formulary*</b>	<b>Brand-Name Nonformulary*</b>
<b>Nonparticipating Pharmacy</b>	\$5 copayment	\$25 copayment if no generic is available OR if you are approved through the review process. Otherwise, if a brand-name drug is purchased when an equivalent generic is available—whether you or your physician requests the brand-name drug—you will pay the generic copayment plus the cost difference of the brand-name drug and generic drug.	\$40 copayment if no generic is available OR if you are approved through the review process. Otherwise, if a brand-name drug is purchased when an equivalent generic is available—whether you or your physician requests the brand-name drug—you will pay the generic copayment plus the cost difference of the brand-name drug and generic drug.
<p>*If you choose a brand-name drug when a generic equivalent is available, you will pay more than the copayments shown in this table. For details, see “Member Pay the Difference Generic Incentive Program” below.</p> <p>**Copays apply to drugs available for a 90-day supply at participating retail pharmacies.</p>			

## **Retail Pharmacy Card Program**

This program covers medically necessary prescription drugs required by Federal or state law to be prescribed in writing by a physician or dentist and dispensed by a licensed pharmacist. Covered prescriptions include legend drugs, contraceptive medications, tobacco cessation drugs, self-administered injectable drugs, insulin, needles and syringes, test strips, lancets, and alcohol swabs.

Prior authorization may be required for certain medications.

The retail pharmacy card program covers up to a 30-day supply.

## **Mail Service Program**

The Mail Service Program covers medically necessary prescription drugs and medicines required by Federal or state law to be prescribed in writing by a physician or dentist and dispensed by a licensed pharmacist. Covered prescriptions include legend drugs, contraceptive medications, tobacco cessation drugs, self-administered injectable drugs, insulin, needles and syringes, test strips, lancets, and alcohol swabs.

Prior authorization may be required for certain medications.

The Mail Service Program covers up to a 90-day supply per prescription or refill. Authorized refills are covered only after the initial order has been used. Certain controlled substances are subject to quantity limits.

Unless the physician indicates otherwise, you will receive a generic equivalent of the prescribed drug when available and permissible under the law. You also may receive a different brand that is medically equivalent.

## **Pharmacy Management**

Specific drugs are reviewed by the prescription drug program service representative at the point of sale to determine if your prescription is covered by the plan, clinically appropriate, and consistent with usage guidelines.

### **Member Pay the Difference Generic Incentive Program**

To encourage the use of generic drugs, if a brand-name drug is purchased when an 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 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

1 drug meets the conditions to qualify for coverage. If coverage is approved,  
2 you will be charged the brand copayment for the brand-name drug. If  
3 coverage is not approved, coverage will be provided according to the  
4 member pay the difference generic incentive program.

### 5 **Review Process for Brand-name Drugs**

6 Brand name drugs are covered at no additional cost to you when your  
7 physician provides information to the service representative (Prime  
8 Therapeutics at 1-888-802-8776) showing that you:

- 9 • Experienced an adverse reaction, allergy, or sensitivity to a generic  
10 equivalent
- 11 • Experienced therapeutic failure with a generic equivalent
- 12 • May be destabilized by changing to a generic equivalent, or
- 13 • Would be at unnecessary risk by changing to a generic equivalent

### 14 **Prescription Drug Program Exclusions**

15 The following items are excluded under both the retail pharmacy card  
16 program and the mail service program:

- 17 • Any prescription filled in excess of the number prescribed by the  
18 physician or any refill after 1 year from the date of the prescription.
- 19 • Any prescription for which the person is eligible to receive benefits under  
20 another employer's group benefit plan or a workers' compensation law or  
21 from any municipal, state, or Federal program.
- 22 • Any service or supply otherwise excluded by the Traditional Medical Plan  
23 or vision care program.
- 24 • Appliances or devices, such as blood glucose monitors or other nondrug  
25 items, including but not limited to therapeutic devices and artificial  
26 appliances. This exclusion does not apply to needles or syringes or to test  
27 strips, lancets, or alcohol swabs.
- 28 • Administration or injection charges for any drug other than for vaccines  
29 and immunizations covered under the retail pharmacy benefit.
- 30 • Delivery or handling charges.
- 31 • Drugs dispensed during an inpatient admission by a hospital, skilled  
32 nursing facility, sanatorium, or other facility.
- 33 • Experimental drugs or drugs used for investigational purposes.
- 34 • Fertility agents, unless approved by the service representative.
- 35 • Immunizing agents except allergy serum.

- 1 • Infusion therapy drugs, except as described in the home health care
- 2 benefit.
- 3 • Medications to treat sexual dysfunction, unless the patient is being treated
- 4 for a diagnosed medical or mental health condition.
- 5 • Obesity drugs, unless approved by the service representative.
- 6 • Over-the-counter drugs unless otherwise covered.
- 7 • Prescriptions purchased from a nonnetwork mail service program.
- 8 • Prescriptions that are not medically necessary to treat an illness, injury, or
- 9 other covered condition, except as specifically provided by the program.
- 10 • Replacement of lost or misplaced prescriptions.

11 **Coordinated Care Plans Schedule of Benefits**

12 The coordinated care plan benefits will be as described in the following  
 13 “Coordinated Care Plans Schedule of Benefits.”

<b>Coordinated Care Plans, Selections Plans &amp; Health Maintenance            Organizations Schedule of Benefits</b> <b>The plans are administered by BlueCross BlueShield of Illinois, and            Kaiser Permanente</b> <b>(the service representatives).</b>		
	Network	Nonnetwork
<b>Annual Deductible</b>	None	\$450 per individual
<b>Coinsurance</b>	90%	60%
<b>Annual Out-of-Pocket Maximum</b>  Effective January 1, 2026, prescription drugs will apply toward the network medical annual out-of-pocket maximum	<b>BCBSIL Selections and Selections Plus</b>	
	\$2,000 per individual; \$4,500 per family of 2 or more, but not more than \$2,000 for any 1 person	\$2,450 per individual; \$5,850 per family of 2 or more, but not more than \$2,450 for any 1 person

**Coordinated Care Plans, Selections Plans & Health Maintenance Organizations Schedule of Benefits**

**The plans are administered by BlueCross BlueShield of Illinois, and Kaiser Permanente (the service representatives).**

	<b>Network</b>	<b>Nonnetwork</b>
<b>Annual Out-of-Pocket Maximum</b>  Prescription drugs will apply toward the network medical annual out-of-pocket maximum.	<b>Kaiser Permanente CCP (Oregon)</b>	
	\$600 per individual, \$1,200 per family	\$2,250 per individual, \$4,500 per family
	<b>Kaiser Permanente HMO (Washington)</b>	
	\$2,000 per individual, \$4,500 per family	Not applicable
	<b>Kaiser Permanente HMO (California)</b>	
	\$1,500 per individual; \$3,000 per family	Not applicable
<b>Lifetime Maximum Benefit</b>	None	
<b>Emergency Room (Emergencies)</b>	\$75 copayment (copayment waived if you are admitted as an inpatient immediately after emergency room care)	
<b>Office Visit and Urgent Care</b>	\$30 office visit copayment applies to primary care office visit  \$40 office visit copayment applies to specialist office visit (including chiropractic and physical, occupational and speech therapy visits)	60%

**Coordinated Care Plans, Selections Plans & Health Maintenance Organizations Schedule of Benefits**

**The plans are administered by BlueCross BlueShield of Illinois, and Kaiser Permanente (the service representatives).**

	Network	Nonnetwork
<b>Prescription Drugs</b>		
Participating Pharmacy**		Not covered
	<b>BCBSIL Selections and Selections Plus</b>	
	\$5 copayment generic; \$25 copayment brand-name formulary; \$40 copayment brand-name nonformulary 30-day supply	Not covered
	<b>Kaiser CCP (Oregon) and Kaiser HMO (California)</b>	
	\$5 copayment generic; \$25 copayment brand-name formulary; \$25 copayment brand-name nonformulary 30-day supply	Not covered
	<b>Kaiser HMO (Washington)</b>	
	\$5 copayment generic; \$25 copayment brand-name formulary; Not covered brand-name nonformulary 30-day supply	Not covered
	<b>NOTE:</b> Copayments above on brand-name formulary and nonformulary apply if no generic is available OR if you are approved through the review	



**Coordinated Care Plans, Selections Plans & Health Maintenance Organizations Schedule of Benefits**

**The plans are administered by BlueCross BlueShield of Illinois, and Kaiser Permanente (the service representatives).**

	<b>Network</b>	<b>Nonnetwork</b>
	process. Otherwise, if a brand-name drug is purchased when an equivalent generic is available—whether you or your physician requests the brand-name drug—you will pay the generic copayment plus the cost difference of the brand-name drug and generic drug.	
Mail Service Program**		Not covered
<b>BCBSIL Selections and Selections Plus</b>		
	\$10 copayment generic; \$60 copayment brand-name formulary; \$100 copayment brand-name nonformulary 90-day supply***	Not covered
<b>Kaiser CCP (Oregon) and Kaiser HMO (California)</b>		
	\$10 copayment generic; \$50 copayment brand-name formulary; \$50 copayment brand-name nonformulary 90-day supply	Not covered

**Coordinated Care Plans, Selections Plans & Health Maintenance  
Organizations Schedule of Benefits**

**The plans are administered by BlueCross BlueShield of Illinois, and  
Kaiser Permanente  
(the service representatives).**

	<b>Network</b>	<b>Nonnetwork</b>
	<b>Kaiser HMO (Washington)</b>	
	\$10 copayment generic; \$60 copayment brand-name formulary; Not covered brand-name nonformulary 90-day supply	Not covered
	<b>NOTE:</b> Copayments above on brand-name formulary and nonformulary apply if no generic is available OR if you are approved through the review process. Otherwise, if a brand-name drug is purchased when an equivalent generic is available – whether you or your physician requests the brand-name drug – you will pay the generic copayment plus the cost difference of the brand-name drug and generic drug	
<b>Vision</b>		
Eye Exams*	\$15 copayment for 1 exam every 12 months	Not covered*
Lenses*	Varies by plan	Same as network*
Frames*	\$90 allowance, limited to 2 frames every 2 benefit years	See network provisions
Contact Lenses*	\$120 allowance, 2 pairs every 2 benefit years	See network provisions

\*Varies by plan.

\*\*You pay the generic copayment plus the cost difference between the brand-name and generic drug (varies by plan). For details, see “Member Pay the Difference Generic Incentive Program” below.

\*\*\*Copays apply to drugs available for a 90-day supply at participating retail pharmacies.

These are highlights only. Benefits are paid in accordance with the terms of the coordinated care plan documents.

### **Member Pay the Difference Generic Incentive Program**

To encourage the use of generic drugs, if a brand-name drug is purchased when an 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 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 copayment for the brand-name drug. If coverage is not approved, coverage will be provided according to the member pay the difference generic incentive program.

### **Review Process for Brand-name Drugs**

Brand name drugs are covered at no additional cost to you when your physician provides information to the service representative (Prime Therapeutics at 1-888-802-8776) showing that you:

- Experienced an adverse reaction, allergy, or sensitivity to a generic equivalent
- Experienced therapeutic failure with a generic equivalent
- May be destabilized by changing to a generic equivalent, or
- Would be at unnecessary risk by changing to a generic equivalent

## 1 Network Dental Plan

2 The Network Dental Plan described in this section is available to active  
 3 employees and their dependents. This plan also helps you pay for minor and  
 4 major dental work, including fillings, crowns, dentures, bridges, and  
 5 orthodontic services.

6 You and your covered dependents may receive dental care from any licensed  
 7 dentist or other licensed professional who is approved by the plan. However,  
 8 your out-of-pocket costs generally will be lower if you use a network dentist.

<b>Network Dental Plan Schedule of Benefits</b>		
<b>What you Pay</b>	<b>Network Provider</b>	<b>Nonnetwork Provider</b>
<b>Annual Deductible</b> (based on the January 1–December 31 benefit year)	\$50 per individual; \$150 per family of 3 or more, but not more than \$50 for any individual; applies to all covered services and supplies, except as noted below	\$75 per individual; \$225 per family of 3 or more, but not more than \$75 for any individual; applies to all covered services and supplies, except orthodontia
<b>Coinsurance Percentage</b>		
Class I (diagnostics, preventive care, restorations using filling materials, oral surgery, periodontics, certain endodontics, and pedodontics)	100% of recognized fee (annual deductible does not apply to examinations, X-rays, cleanings, fluoride treatment, or fissure sealants)	80% of recognized fee after deductible is met.
Class II (restorations using crowns, inlays, or onlays)	80% of recognized fee	50% of recognized fee

<b>Network Dental Plan Schedule of Benefits</b>		
<b>What you Pay</b>	<b>Network Provider</b>	<b>Nonnetwork Provider</b>
Class III (prosthodontics)	60% of recognized fee	50% of recognized fee
Class IV (orthodontia)	50% of covered charges (deductible does not apply)	
<b>Annual Maximum Benefit</b> (for Classes I, II and III)*	\$3,000 per individual (network and nonnetwork combined)	\$3,000 per individual (network and nonnetwork combined)
<b>Lifetime Maximum Benefit</b> (for Class IV)**	\$2,000 per individual (network and nonnetwork combined)	\$2,000 per individual (network and nonnetwork combined)
<p>* When multiple treatment dates are required, the charges apply toward the annual maximum benefit for the benefit year in which the procedure is completed. (A prosthesis is considered complete on the date it is seated or delivered.)</p> <p>** This lifetime maximum benefit for orthodontia applies to all periods during which the person is covered under any Company-sponsored dental plan.</p>		

1 You and your dependents are responsible for paying all charges for services  
2 and supplies the plan does not cover.

### 3 **Annual Deductible**

4 Generally, the annual deductible is the amount you must pay out of your  
5 own pocket each benefit year before the plan begins to pay benefits. The  
6 annual deductible applies to most covered services but not all. The following  
7 network diagnostic and preventive care services and supplies are excluded  
8 from the annual deductible:

- 9 • Cleanings (prophylaxis).
- 10 • Examinations.
- 11 • Fissure sealants.
- 12 • Fluoride treatment.
- 13 • X-rays.

1 Orthodontia (Class IV) also is excluded from the annual deductible.  
2 This means that the plan begins to pay its coinsurance percentage  
3 immediately for these basic dental services. The coinsurance percentage you  
4 pay for these services does not count toward your annual deductible.

5 This plan has an individual annual deductible and a family annual  
6 deductible. If you and 3 or more of your dependents are covered under the  
7 plan, the family annual deductible limits the total annual deductible you are  
8 required to pay in any benefit year.

9 The annual deductibles are shown in the “Network Dental Plan Schedule of  
10 Benefits.”

### 11 **Coinsurance Percentages**

12 For many services and supplies, you and the plan each pay a percentage of  
13 the recognized fee. These percentages are called coinsurance percentages.

14 Generally, except for certain diagnostic and preventive Class I services and  
15 supplies, you must first satisfy the entire annual deductible before the plan  
16 pays its coinsurance percentage.

17 A coinsurance percentage does not apply to

- 18 • Class I services and supplies received from network providers.
- 19 • Any amounts you pay for services that the plan does not cover.
- 20 • Any amounts that exceed the maximum allowable fees recognized by the  
21 plan.

22 Coinsurance percentages are shown in the “Network Dental Plan Schedule  
23 of Benefits.”

### 24 **Benefit Maximums**

25 For Classes I, II, and III, an annual maximum applies to each covered person.  
26 The annual maximum amount is shown in the “Network Dental Plan  
27 Schedule of Benefits.” You are responsible for paying any charges over the  
28 annual maximum benefit.

29 For Class IV, a lifetime maximum benefit applies to each covered person.  
30 The lifetime maximum benefit amount is shown in the “Network Dental Plan  
31 Schedule of Benefits.”

### 32 **Recognized Fees**

33 This plan pays benefits based on recognized fees. A recognized fee is the  
34 provider’s charge for a covered service, up to the plan’s maximum  
35 allowance. The amount of the recognized fee depends on whether you see a  
36 network or nonnetwork provider.

1 Under this plan, recognized fees are determined as follows:

- 2 • For a network dentist, recognized fees are network allowed charges.
- 3 • For a nonnetwork dentist who is a contracted member dentist with  
4 Washington Dental Service, recognized fees are the fees that the dentist  
5 filed with the service representative for specific dental services and  
6 supplies.
- 7 • For a nonnetwork dentist who is a nonmember, recognized fees are the  
8 lesser of either
  - 9 - The amount charged by the dentist.
  - 10 - The maximum fee that the service representative approved for  
11 nonmember dentists in the state where services are performed.

12 When alternative procedures are available, the plan covers the least  
13 expensive procedure. However, if your dentist submits satisfactory evidence  
14 to the service representative that a more expensive procedure is the only one  
15 professionally adequate for you, the plan covers the more expensive  
16 procedure according to the appropriate benefit payment level.

## 17 **Covered Dental Services and Supplies**

18 The Network Dental Plan covers 4 classes of services and supplies in  
19 accordance with the benefit payment levels and maximums shown in the  
20 “Network Dental Plan Schedule of Benefits.”

### 21 ***Class I Covered Services and Supplies (network covered at 100%)***

22 The plan covers the following Class I services and supplies:

- 23 • Routine diagnostic examinations, including
  - 24 - Routine examination, twice in each 1-year period.
  - 25 - Specialist examinations, up to 3 in a 6-month period.
  - 26 - Complete mouth or panoramic X-rays, once in each 5-year period.
  - 27 - Supplementary bitewing X-rays, once in each 1-year period.
  - 28 - Emergency examinations.
  - 29 - Comprehensive oral examination, once in a 36-month period, which  
30 counts as the routine examination once in a 6-month period.
- 31 • Preventive care, including
  - 32 - Fissure sealants, through age 14, for permanent molar teeth with intact  
33 occlusal surfaces, no decay, and no prior restorations. The repair or  
34 replacement of a sealant on any tooth within 36 months is considered  
35 part of the original services.

- 1 - Prophylaxis (cleaning), either regular or periodontal, twice in each 1-  
2 year period, with 2 additional cleanings allowed in the event periodontal  
3 disease is present.
- 4 - Topical application of fluoride twice in each 1-year period, for  
5 dependent children through age 18.
- 6 • General anesthesia when administered by a licensed dentist in connection  
7 with certain covered
- 8 - Oral surgery.
- 9 - Endodontic surgery.
- 10 - Periodontic surgery.
- 11 • Restorative services (minor restoration), including the restoration of a  
12 visibly decayed hard tooth surface (carious lesion) to a state of proper  
13 function by using a filling material such as amalgam, silicate, plastic or  
14 glass ionomer, or a stainless steel crown. Restorations on the same  
15 surface(s) of the same tooth will be covered once in each 24-month period.  
16 Composite, plastic, or glass ionomer restorations on a posterior tooth are  
17 covered up to the amount allowed for an amalgam restoration.
- 18 • Oral surgery, including
- 19 - Surgical and nonsurgical extractions.
- 20 - Preparation of the alveolar ridge and soft tissues of the mouth to insert  
21 dentures.
- 22 - Ridge extension to insert dentures (vestibuloplasty).
- 23 - Treatment of pathological conditions and traumatic facial injuries.
- 24 • Endodontics, including the following procedures:
- 25 - Pulpal and root canal therapy.
- 26 - Pulp exposure treatment, pulpotomy, and apicoectomy.
- 27 - Root canal treatment on the same tooth, once in each 2-year period.
- 28 - Retreatment of the same tooth when performed by a different dental  
29 office.
- 30 • Pedodontics, including space maintainers that are used to maintain space  
31 for the eruption of permanent teeth.
- 32 • Periodontics (surgical and nonsurgical procedures to treat tissues that  
33 support the teeth), including
- 34 - Gingivectomy.



- 1 - Limited adjustments to occlusion (8 or fewer teeth) such as smoothing  
2 teeth or reducing cusps.  
3 - Root planing or subgingival curettage, but not both, once in each 24-  
4 month period.

5 ***Class II Covered Services and Supplies (network covered at 80%)***

6 The plan covers these Class II services and supplies, which are restorative  
7 services (major restoration):

- 8 • Restoration of a visibly decayed hard tooth surface (cariou lesion) to a  
9 state of proper function by using crowns, inlays, or onlays (gold,  
10 porcelain, plastic, or gold-substitute castings or a combination) once in  
11 each 5-year period for the same tooth when the tooth cannot be restored  
12 effectively with a filling material (amalgam, silicate, or plastic). If a tooth  
13 can be restored with a filling material such as amalgam, silicate, or plastic  
14 but you choose a more expensive procedure, this plan will cover the cost  
15 up to the amount for a filling to repair the condition.
- 16 • Recementing a crown, inlay, or onlay.
- 17 • Use of a crown as an abutment to a partial denture, but only when the tooth  
18 is decayed to the extent a crown would be required whether or not a partial  
19 denture is required.
- 20 • Temporary crown for a fractured tooth.

21 ***Class III Covered Services and Supplies (network covered at 60%\*)***

22 Under the Network Dental Plan, prosthodontics are in Class III. The plan  
23 covers these Class III services and supplies:

- 24 • A full denture, immediate denture, or overdenture. For any other  
25 procedure (such as personalized restorations or specialized treatment), the  
26 plan covers up to the appropriate amount for a full denture, immediate  
27 denture, or overdenture. Root canal therapy in conjunction with  
28 overdentures is limited to 2 teeth per arch.
- 29 • A cast chrome or acrylic partial denture. If a more elaborate or precision  
30 device is used, the plan will cover up to the appropriate amount for  
31 covered partial dentures.
- 32 • Denture adjustments and relines that are provided more than 6 months  
33 after initial placement. Later relines and jump rebases (but not both) are  
34 covered once in each 12-month period.
- 35 • Implant and related appliances attached to the implant once in each 5-year  
36 period. If you elect an implant and related attached appliances, the plan  
37 allows up to the amount the plan would have paid for a full or partial  
38 denture, once in a 5-year period.

1           \*Surgical procedure for the placement or removal of implants or  
2           attachments to implants are covered at 90%\* for network provider and  
3           50% for nonnetwork provider. The surgical procedure will not be  
4           subject to the dental maximum.

- 5       • Replacement of an existing prosthetic device, once in each 5-year period,  
6       if the device is unserviceable and cannot be made serviceable. (Services  
7       to correct the device, if serviceable, are covered.)

#### 8       ***Class IV Covered Services and Supplies***

9       Under the plan, orthodontic services and supplies are in Class IV. The plan  
10      covers straightening of teeth, including correction or prevention of  
11      malocclusion.

#### 12      **Pretreatment Estimate**

13      If your dental care will be extensive, you may ask your dentist to submit a  
14      request for a pretreatment estimate, called a “predetermination of benefits.”  
15      This predetermination will allow you to know in advance what procedures  
16      are covered, the amount the service representative will pay toward the  
17      treatment, and your financial responsibility.

#### 18      **Network Dental Plan Exclusions**

19      The Network Dental Plan does not cover the following services or supplies.

- 20      • Analgesics such as nitrous oxide, intravenous sedation, euphoric drugs,  
21      injections, prescription drugs, or application of desensitizing agents.
- 22      • Appliances or cleaning of appliances and certain restorations as follows:
  - 23          - Appliances or restorations necessary to correct vertical dimension or to  
24          alter morphology (shape) or occlusion, overhang removal, or  
25          recontouring or polishing a restoration.
  - 26          - Cleaning of prosthetic appliances.
  - 27          - Duplicate dentures, temporary dentures, personalized dentures, or  
28          crowns and copings provided in connection with overdentures.
  - 29          - Fixed prosthodontics for children under age 16.
  - 30          - Habit-breaking appliances.
  - 31          - Replacement of a space maintainer previously covered by the plan.
- 32      • Cosmetic procedures (including laminates and tooth bleaching, whether  
33      vital or nonvital), appliances, or restorations primarily for cosmetic  
34      purposes.

- 1 • Experimental services or supplies (or related complications)—the plan  
2 does not cover experimental services or supplies whose use and  
3 acceptance as a course of dental treatment for a specific condition still are  
4 under investigation or observation. To determine whether services are  
5 experimental, the service representative uses American Dental  
6 Association guidelines and considers whether the services:
  - 7 - Are in general use in the local dental community.
  - 8 - Are proven to be safe and effective.
  - 9 - Are under continued scientific testing and research.
  - 10 - Show a demonstrable benefit for a particular dental condition.
- 11 • Other dental exclusions as follows:
  - 12 - Caries (decay) susceptibility tests.
  - 13 - Charges for services or supplies that are received while the patient is  
14 not covered under the plan.
  - 15 - Consultations or elective second opinions.
  - 16 - Crowns used as abutments to a partial denture for purposes of  
17 recontouring, repositioning, or to provide additional retention, unless  
18 the tooth is decayed to the extent that a crown would be required to  
19 restore the tooth in the absence of a partial denture.
  - 20 - Crowns used to repair microfractures of tooth structure when the tooth  
21 displays no symptoms.
  - 22 - Diagnostic services or X-rays related to temporomandibular joints (jaw  
23 joints).
  - 24 - Fees for broken appointments.
  - 25 - Fees for completing insurance forms.
  - 26 - Full mouth (major) occlusal adjustment.
  - 27 - Gingival curettage.
  - 28 - Home fluoride kits.
  - 29 - Hospitalization charges or any additional dental fees associated with  
30 hospitalization.
  - 31 - Iliac crest or rib grafts to alveolar ridges.
  - 32 - Injuries or conditions covered under workers' compensation or  
33 employers' liability laws.
  - 34 - Oral hygiene or dietary instruction.

- 1 - Orthognathic surgery.
- 2 - Patient management problems.
- 3 - Periodontal splinting; any crown or bridgework provided with
- 4 periodontal therapy or periodontal appliances.
- 5 - Plaque control programs.
- 6 - Porcelain or resin inlay bridges.
- 7 - Proposed treatment plan review or case presentation by the attending
- 8 dentist.
- 9 - Restorations on the same surface or surfaces of a tooth within 2 years
- 10 of the original service.
- 11 - Services or supplies covered by any Federal, state, or provincial
- 12 government agency or provided without cost by any municipality,
- 13 county, or other political subdivision or community agency. However,
- 14 if government agency payments are insufficient for covered services or
- 15 supplies or if benefits are provided by a government agency as an
- 16 employer to its employees, dental coverage will not be excluded and
- 17 will be subject to coordination of benefits.
- 18 - Services or supplies to the extent that benefits are payable for them
- 19 under any motor vehicle medical, motor vehicle no-fault, uninsured
- 20 motorist, underinsured motorist, personal injury protection (PIP),
- 21 commercial liability, homeowner's policy, or other similar type of
- 22 coverage.
- 23 - Services specifically excluded in this plan description and all other
- 24 items that are not specifically included in this plan as covered dental
- 25 benefits.
- 26 - Study or diagnostic models.
- 27 - Tooth transplants or materials placed in extraction to generate osseous
- 28 filling.
- 29 - Treatment of temporomandibular (jaw) joints.

### 30 **How Dental Coverage May Be Extended**

31 The plan generally does not cover services or supplies that you receive while  
32 you are not covered under the plan. However, the plan will cover certain  
33 services and supplies for an additional three months after the date coverage  
34 would otherwise end. These services and supplies and the conditions for  
35 extending care are described below:

- 1 • A crown that is required to restore a tooth (independent of the crown's use  
2 in connection with a partial denture) if the tooth is prepared for the crown  
3 while you are covered. If the tooth is prepared after your coverage ends,  
4 your dentist must have documented the need, such as by requesting a  
5 pretreatment estimate, before your coverage ended.
- 6 • A prosthetic device (including abutment crowns of a partial denture), if  
7 the impressions are taken while you are covered, and the device is installed  
8 or delivered within 3 months after your coverage ends. If the impressions  
9 are taken after your coverage ends, your dentist must have documented  
10 the need, such as by requesting a pretreatment estimate, before your  
11 coverage ended.
- 12 • Orthodontia care provided within 3 calendar months after your coverage  
13 ends.
- 14 • Restorative, endodontic, periodontic, and oral surgical procedures  
15 completed within 3 months after your coverage ends. If the services start  
16 after your coverage ends, your dentist must have documented the need,  
17 such as by requesting a pretreatment estimate, before your coverage  
18 ended.

## 19 **Prepaid Dental Plan**

20 The Prepaid Dental Plan benefits will be as follows:

### 21 **Provider Selection**

22 Participating providers offer complete dental care to you and your  
23 dependents. You must select a participating provider when you enroll in the  
24 Prepaid Dental Plan. All covered dental services, except orthodontic and  
25 out-of-area emergency care, are provided by this selected provider.

26 If you wish to transfer to another participating provider, you must contact  
27 the service representative. An approved transfer is effective the first day of  
28 the month following the service representative's receipt of the change  
29 request.

30 Orthodontic care may be obtained from any licensed dentist.

### 31 **Plan Payment Levels and Maximum Benefits**

32 The plan provides all necessary covered dental services at no cost to  
33 employees and eligible dependents except as specified below.

- 34 • The plan pays 50% of usual and customary orthodontic charges, to a  
35 \$2,000 lifetime maximum benefit during all periods the eligible person is  
36 covered under the plan.
- 37 • The plan pays up to \$50 of reasonable charges for out-of-area emergency  
38 services and supplies.

## **Out-of-Area Emergencies**

The plan pays an out-of-area emergency benefit for dental services and supplies provided by a licensed dentist other than your selected participating provider.

Out-of-area means the covered person is more than 50 miles from the selected participating provider. The plan pays reasonable charges for these services and supplies, without prior approval, to a maximum of \$50. Payment for out-of-area emergencies is made only if all these conditions apply:

- The dental care is provided by a dentist outside the plan's service area.
- The service or supply is covered under the plan.
- The dental care is required for an acute condition and is provided solely for the immediate relief of that condition.
- The patient could not have been reasonably expected to go to the selected participating provider for the care.

## **Coordination of Benefits**

If you or your dependent has medical, dental, or other health coverage in addition to being covered under these medical and dental plans, the following rules govern coordination of benefits with the other coverage. Other coverage includes, whether insured or uninsured, another employer's group benefit plan, other arrangement of individuals in a group, Medicare (to the extent allowed by law), individual insurance or health coverage, and insurance that pays without consideration of fault.

The service representative has the right to obtain and release any information or recover any payment it considers necessary to administer these provisions.

## **Order of Payment**

The primary plan pays its benefits first and pays its benefits without regard to benefits that may be payable under other plans. When another plan is the primary plan for health care coverage, the secondary plan pays the difference between the benefits paid by the primary plan and what would have been paid had the secondary plan been primary.

- A plan is considered primary if
  - It has no order of benefit determination rules.

- 1 - It has benefit determination rules that differ from coordination of benefit  
2 rules under state regulations or, if not insured, that differ from these  
3 rules.
- 4 - All plans that cover an individual use the same coordination of benefit  
5 rules, and under those rules, the plan is primary.
- 6 • If the aforementioned rules do not determine which group plan is  
7 considered primary, this plan applies the following coordination of benefit  
8 rules:
- 9 - A plan that covers a person as an employee, retiree, member, or  
10 subscriber pays before a plan that covers the person as a dependent.
- 11 - A plan that covers a person as an active employee or dependent of an  
12 active employee is primary. The plan that covers a person as a retired,  
13 laid-off, or other inactive employee or as a dependent of a retired, laid-  
14 off, or other inactive employee is secondary.
- 15 - If a dependent child is covered under both parents' group plans, the  
16 child's primary coverage is provided through the plan of the parent  
17 whose birthday comes first in the calendar year, with secondary  
18 coverage provided through the plan of the parent whose birthday comes  
19 later in the calendar year.
- 20 - If a dependent child's parents are divorced or separated and a court  
21 decree establishes financial responsibility for the health care coverage  
22 of the child, the plan of the parent with such financial responsibility is  
23 the primary plan of coverage. If the divorce decree is silent on the issue  
24 of coverage, the following guidelines are used:
- 25 ○ The plan of the parent with custody pays benefits first.
- 26 ○ The plan of the spouse of the parent with custody pays second.
- 27 ○ The plan of the parent without custody pays third.
- 28 ○ The plan of the spouse of the parent without custody pays fourth.
- 29 - If none of the aforementioned rules establishes which group plan should  
30 pay first, then the plan that has covered the person for the longest period  
31 is considered the primary plan of coverage.
- 32 - Continuation coverage under the Consolidated Omnibus Budget  
33 Reconciliation Act of 1985 (COBRA), as amended, always is secondary  
34 to other coverage, except as required by law.
- 35 - If an employee or dependent is confined to a hospital when first  
36 becoming covered under this plan, this plan is secondary to any plan  
37 already covering the employee or dependent for the eligible expenses  
38 related to that hospital admission. If the employee or dependent does

1 not have other coverage for hospital and related expenses, this plan is  
2 primary.

3 Benefits under a Company-sponsored medical or dental plan are not  
4 coordinated with benefits paid under any other group plan offered by the  
5 Company. You can receive benefits from only 1 Company-sponsored  
6 medical or dental plan. However, when dental services performed by a  
7 licensed dentist also are covered under the medical plan, the dental plan  
8 pays its benefits first and the medical plan is secondary.

9 Federal rules govern coordination of benefits with Medicare. In most  
10 cases, Medicare is secondary to a plan that covers a person as an active  
11 employee or dependent of an active employee. Medicare is primary in  
12 most other circumstances.

### 13 **Traditional Medical Plan**

14 The primary plan pays benefits without regard to any other plan. When the  
15 Company-sponsored plan is secondary, it adjusts benefits so that the total  
16 payable under both plans for expenses covered under the Company-  
17 sponsored plan is not more than would be payable under the Company-  
18 sponsored plan. Neither plan pays more than it would without coordination  
19 of benefits.

20 Plan means any plan providing medical, dental, vision care, hearing aid  
21 benefits, or treatment under individual insurance, group insurance, or any  
22 other coverage for individuals in a group, whether on an insured or uninsured  
23 basis.

24 Treatment of end-stage renal disease is covered by the Company-sponsored  
25 plan for the first 30 months following Medicare entitlement due to end-stage  
26 renal disease, and Medicare provides secondary coverage. After this 30-  
27 month period, Medicare provides primary coverage and the Company-  
28 sponsored plan provides secondary coverage.

### 29 **Network Dental Plan**

30 Benefits payable under the Company-sponsored dental plan take into  
31 account any coverage (including orthodontic coverage) you or your eligible  
32 dependents have under other plans.

33 Plan means any plan providing medical, dental, vision care, hearing aid  
34 benefits, or treatment under group insurance or any other coverage for  
35 individuals in a group, whether on an insured or uninsured basis. However,  
36 plan excludes any medical plan sponsored by the Company. This means the  
37 dental plan pays first when dental expenses performed by a dentist also are  
38 covered by any medical plan sponsored by the Company.



1 The dental plan pays regular benefits in full or a reduced amount which,  
2 when added to benefits payable by another plan, equals 100% of allowable  
3 expenses.

## 4 **When an Injury or Illness Is Caused by the** 5 **Negligence of Another**

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

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

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

34 This provision applies whenever you or a covered dependent is entitled to or  
35 receives benefits under this plan and is also entitled to or receives  
36 compensation or any other funds from another party in connection with that  
37 same medical condition, whether by insurance, litigation, settlement, or  
38 otherwise. The plan is entitled to such funds to the extent of plan benefits

1 paid to or on behalf of the individual as a first-priority right, whether or not  
2 the individual has been “made whole,” and without regard to any common  
3 fund doctrine. The plan is entitled to such funds regardless of whether the  
4 plan’s benefits are identified as being included in the funds and regardless  
5 of whether liability for payment of the funds is admitted by the responsible  
6 party or any other source of the funds. This plan may recover such funds by  
7 constructive trust, equitable lien, right of subrogation, reimbursement, or any  
8 other remedy allowed under applicable law.

9 The covered person shall do nothing to prejudice the plan’s subrogation or  
10 recovery interest, including, but not limited to, refraining from making any  
11 settlement or recovery that attempts to reduce or exclude the full cost of all  
12 benefits provided by the plan. If an individual fails, refuses, or neglects to  
13 reimburse the plan or otherwise comply with the requirements of this  
14 provision, or if payments are made under the plan based on fraudulent  
15 information or otherwise in excess of the amount necessary to satisfy the  
16 provisions of the plan, then, in addition to all other remedies and rights of  
17 recovery that the plan may have, the plan has the right to terminate or  
18 suspend benefit payments and/or recover the reimbursement due to the plan  
19 by withholding, offsetting, and recovering such amount out of any future  
20 plan benefits or amounts otherwise due from the plan to or with respect to  
21 such individual. The plan also has the right in any proceeding at law or  
22 equity to assert a constructive trust, equitable lien, or any other remedy or  
23 recovery allowed under applicable law, against any and all persons or  
24 entities who have assets that the plan can claim rights to. The plan has a first-  
25 priority right of recovery from any judgment, settlement or other payment,  
26 regardless of whether the individual has been “made whole,” and without  
27 regard to any common fund doctrine.

28 In the event that any claim is made that any part of this subrogation and  
29 recovery provision is ambiguous or questions arise concerning the meaning  
30 or intent of any of its terms, the plan or service representative shall have the  
31 sole authority and discretion to resolve all disputes regarding the  
32 interpretation of this provision.

## 33 **Termination of Coverage**

### 34 **Life Insurance Coverage**

35 Life insurance coverage stops on the date your active employment  
36 terminates.

37 Within 31 days after you terminate employment, by making application and  
38 paying the first premium to the plan’s insurer, you may convert life  
39 insurance coverage to an individual life insurance policy on any regular

1 whole life insurance plan. This individual policy will be issued, without  
2 medical examination, at the insurer's regular rates. The amount of life  
3 insurance converted cannot exceed the amount in force on the date insurance  
4 terminates.

5 If, after an individual conversion policy is issued, benefits under the Life  
6 Insurance Plan are payable due to permanent and total disability, the  
7 individual policy must be surrendered without claim other than the return of  
8 paid premiums.

9 If your death occurs within 31 days after your coverage ends, a life insurance  
10 benefit is payable equal to the amount you could have converted to an  
11 individual policy.

## 12 **Accidental Death and Dismemberment and Survivor** 13 **Income Coverage**

14 Accidental death and dismemberment and survivor income coverage stops  
15 on the date your active employment terminates.

## 16 **Short-Term Disability Coverage**

17 Short-term disability coverage stops on the last day of your active  
18 employment. If you experience a covered disability while you are an active  
19 employee, you will continue to receive benefits for up to the maximum  
20 period of 26 weeks subject to the terms and conditions of the Plan, regardless  
21 of whether your active employment ends during the benefit period.

## 22 **Medical Coverage**

23 Medical coverage for you and your dependents stops at the end of the  
24 calendar month your active employment terminates or the end of the last  
25 month required contributions are paid, whichever occurs first. If earlier, your  
26 dependent's coverage stops at the end of the month in which he or she no  
27 longer qualifies as a dependent.

28 However, coverage may be continued under certain circumstances as  
29 specified below. Any required contributions must be paid during these  
30 periods for coverage to continue.

31 If you are terminating employment, the service representative will make  
32 available an individual program of medical benefits similar to those then  
33 being issued for group conversion. The benefits provided under the  
34 individual plan will not exactly duplicate the benefits provided under this  
35 group medical plan. This conversion privilege is also available to your  
36 covered dependents who cease to qualify under the group policy and to  
37 surviving covered dependents if you die. No evidence of insurability is  
38 required.

## **Dental Coverage**

Dental coverage for you and your dependents stops at the end of the calendar month your active employment terminates. If earlier, your dependent's coverage stops at the end of the calendar month in which he or she no longer qualifies as a dependent.

However, coverage may be continued under certain circumstances as specified below. Any required contributions must be paid during these periods for coverage to continue.

## **Retirement**

If you are eligible for, and enroll in, the Retiree Medical Plan, medical coverage for you and your dependents ends at the end of the month following the month in which your active employment ends.

## **Change in Eligible Class of Employment**

When you remain employed by the Company but no longer in the class eligible for coverage under this Package, coverage for you and your dependents stops at the end of the month in which your transfer is effective. If you become totally disabled before coverage ends under the Package, the life insurance, accidental death and dismemberment, short-term disability, and survivor income benefits of the Package, which would have continued if you had stayed in the eligible class, will continue according to the terms governing benefits during leaves of absence instead of all other Company life insurance, accidental death and dismemberment, and disability benefits.

## **Continuation of Medical and Dental Coverage (COBRA)**

If medical and dental coverage for you and your dependents (including a domestic partner and his or her children) otherwise would terminate due to one of the following reasons, these benefits may continue for specified periods under Public Law 99-272, Title X, as amended, if the individual makes a timely request to the Company and pays the required contribution, subject to Reinstatement of Coverage below.

- Reduction in hours or termination of employment for any reason.
- Your death.
- Your divorce or dissolution of a domestic partner relationship.
- A dependent child ceasing to be a dependent as defined under this Package. (A child eligible to be continued under the Package's incapacitated child provision will still be considered to have dependent status.)

- 1 • Your dependent's loss of eligibility because you became eligible for  
2 Medicare.

3 If you are laid off, the Company will contribute to the cost of COBRA  
4 medical coverage for you and your dependents. Company contributions will  
5 continue at the same rate as for active employees until you are covered by  
6 any other group medical plan either as an active employee or as a dependent,  
7 but in no event beyond the expiration of the COBRA period or 6 months  
8 after the date of layoff, whichever occurs first.

9 If you die (other than from an industrial accident), the Company will  
10 contribute to the cost of your dependents' COBRA medical and dental  
11 coverage for up to 12 months. Your dependents' contributions for the first  
12 12 months of COBRA medical and dental coverage will be the same as for  
13 dependents of active employees.

14 If you die from an industrial accident, the Company will contribute to the  
15 cost of your dependents' COBRA medical and dental coverage for up to  
16 36 months. Your dependents' contributions for COBRA medical and dental  
17 coverage will be the same as for dependents of active employees.

## 18 **Leaves of Absence**

19 When you are absent with leave, coverage may continue as follows; any  
20 required contributions must be paid during these periods for coverage to  
21 continue, subject to Reinstatement of Coverage below.

### 22 **Approved Medical Leaves of Absence**

23 If you are eligible for coverage and begin an approved medical leave of  
24 absence due to a total disability, you are eligible for the Package the same  
25 as an active employee until the last day of the calendar month in which your  
26 leave began. (Your eligible dependents also are eligible for medical and  
27 dental benefits.)

28 If you are totally disabled and remain on an approved medical leave of  
29 absence that extends beyond this period, your life insurance, accidental  
30 death and dismemberment, short-term disability, survivor income, medical,  
31 and dental benefits (and dependent medical and dental benefits) continue up  
32 to 6 full consecutive calendar months during the approved medical leave  
33 with Company contributions.

34 If the approved medical leave extends beyond this 6-month period due to  
35 continuous total disability, your medical coverage continues for up to an  
36 additional 24 months with Company contributions. Medical coverage ends  
37 earlier if you become eligible for Medicare or are no longer considered  
38 totally disabled. You also may continue the life insurance, accidental death  
39 and dismemberment, survivor income, and dental benefits (and medical and

1 dental benefits for eligible dependents) during this time by paying 100% of  
2 the cost of coverage on or before the tenth day of the month in which they  
3 are due.

4 If you or your covered dependent is considered disabled by Social Security  
5 during the seventh or eighth month of the absence, you may continue  
6 medical and dental coverage for yourself and eligible dependents for up to 5  
7 additional months by paying 150% of the cost of coverage.

8 Medical and dental coverage continued after the sixth calendar month of  
9 medical leave is considered COBRA continuation coverage.

### 10 **Other Approved Leaves of Absence**

11 If you are eligible for coverage and begin an approved leave of absence, you  
12 are eligible for the Package the same as an active employee until the last day  
13 of the calendar month in which your leave began. (Your eligible dependents  
14 also are eligible for medical and dental benefits.)

15 If the approved leave extends beyond this time, your life insurance,  
16 accidental death and dismemberment, short-term disability, survivor  
17 income, medical, and dental benefits (and dependent medical and dental  
18 benefits) continue for up to 3 full consecutive calendar months with  
19 Company contributions.

20 After this 3-month period, you may continue medical and dental coverage  
21 for up to an additional 21 months by self-paying 100% of the cost of  
22 coverage; this is considered COBRA continuation coverage. You also may  
23 continue life insurance coverage for the duration of the approved leave of  
24 absence by self-paying 100% of the cost of coverage.

### 25 **Family and Medical Leave Act of 1993**

26 If the required coverage for family and medical leaves of absence under the  
27 Family and Medical Leave Act of 1993 is more generous than that already  
28 described in this section, the Company provides any required additional  
29 coverage under its group health plans.

### 30 **Uniformed Services Leave of Absence**

31 If you take a leave of absence for service in the U.S. uniformed services  
32 (including the military, National Guard, and the Commissioned Corps of the  
33 Public Health Service), you are covered under the Package until the end of  
34 the month in which your leave began. If you remain on an approved leave  
35 of absence, coverage under the Package continues until the end of the third  
36 full calendar month of the leave as if you were an active employee on an  
37 approved nonmedical leave of absence.

1 If uniformed service extends beyond 3 months, you will be enrolled for  
2 COBRA coverage automatically as of the beginning of the fourth full  
3 calendar month of your leave. You may continue COBRA coverage for an  
4 additional 21 months while your uniformed services leave continues, in  
5 accordance with your rights under the Uniformed Services Employment and  
6 Reemployment Rights Act (USERRA).

7 During a temporary period after September 11, 2001, military leave of  
8 absence can be extended for a total of 60 months, based on military orders.  
9 Your life insurance, medical, and dental coverage continue during this  
10 period. The cost of coverage during this 60-month period is the same as for  
11 active employees.

12 Your COBRA continuation period runs concurrently with coverage during  
13 USERRA leave.

14 If you return to active employment promptly after uniformed service,  
15 according to USERRA, the Package is reinstated on the date you return to  
16 the active payroll.

### 17 **Changes in Leave Types**

18 If your type of leave changes from a medical leave of absence to a  
19 nonmedical leave of absence (or vice versa), your periods of leave will be  
20 considered separate leaves of absence. However, if the type of your  
21 nonmedical leave of absence changes (for example, from family leave to  
22 personal leave), your maximum period of coverage in your new leave  
23 category will be reduced by the number of days or months for which you  
24 already received an extension of your active coverage.

### 25 **Successive Periods of Leaves of Absence**

26 Successive periods of leave are described below:

- 27 • 2 medical leaves of absence separated by less than 30 days of  
28 continuous work are considered 1 leave of absence unless the  
29 second leave is due to entirely unrelated conditions.
- 30 • 2 medical leaves of absence separated by 30 or more days of  
31 continuous work are considered new and separate medical leaves  
32 of absence.

### 33 **Reinstatement of Coverage**

34 An employee who is on an authorized leave of absence (subject to direct bill  
35 and pay) who fails to make timely premium payments resulting in a loss of  
36 coverage due to non-payment will be allowed a special reenrollment  
37 opportunity to reinstate their coverage. The employee has 31 days from the

1 date of the drop notice to seek and complete reenrollment and timely repay  
2 missed premium payments.

3 An employee who is enrolled in COBRA continuation coverage who fails to  
4 make timely premium payments resulting in a loss of COBRA coverage due  
5 to non-payment will be allowed a one-time special reenrollment opportunity  
6 to reinstate the COBRA coverage. The COBRA continuee then has 31 days  
7 from the date of the drop notice to seek and complete reenrollment and  
8 timely repay missed premium payments.



# **ATTACHMENT B**

## **Retiree Medical Plan**

**ATTACHMENT B**  
**TABLE OF CONTENTS**

	<b>Page</b>
1	
2	
3	
4	Eligibility ..... 295
5	Retiree Medical Plan Enrollment ..... 298
6	Effective Date of Retiree Medical Coverage ..... 302
7	Medical Plans..... 303
8	Summary of Traditional Medical Plan Benefits..... 303
9	Prescription Drug Program ..... 304
10	Coordination of Benefits—Retired Employees ..... 309
11	When an Injury or Illness Is Caused by the Negligence of Another . 311
12	Termination of Retiree Medical Coverage..... 313

## 1 **Eligibility**

2 You are eligible for the pre-65 Retiree Medical Plan (“Retiree Medical Plan”  
3 or “Plan”) if you retire from the service of the Company under the Company-  
4 sponsored retirement plan (The Boeing Company Retirement Plan, or  
5 “BCERP”) as follows (See below for employees hired or rehired on or after  
6 January 3, 2014, who are not participants in the BCERP):

- 7 • You are an active employee and meet the following requirements:
  - 8 - You are age 55 or older with 10 or more years of vesting service under  
9 a Company-sponsored retirement plan.
  - 10 - You are disabled, become eligible for disability benefits under the  
11 Company-sponsored retirement plan, and are at least age 50 with 10 or  
12 more years of vesting service at retirement.
  - 13 - You are on an approved leave of absence, you are age 55 or older with  
14 10 or more years of vesting service at retirement, and you retire under  
15 the Company-sponsored retirement plan within 2 years following the  
16 start of your approved leave of absence.
  - 17 - You are on layoff, you are at least age 55 with 10 or more years of  
18 vesting service at retirement, and you retire under the Company-  
19 sponsored retirement plan within 6 years following your layoff.

20 If you are hired or rehired on or after January 3, 2014, and are not a  
21 participant in The Boeing Company Employee Retirement Plan (BCERP),  
22 the eligibility requirements described above will be applied in a manner that  
23 retains retiree medical eligibility under comparable circumstances for those  
24 employees not participating in the BCERP. Specifically, the eligibility  
25 provisions will be modified as follows:

- 26 • “At retirement” or “retire under the Company-sponsored retirement plan”  
27 will mean “at termination of employment” or “terminate employment”,
- 28 • “10 or more years of vesting service under the Company-sponsored  
29 retirement plan” will mean the employee would have had 10 or more years  
30 of vesting service under the BCERP had he or she been a participant in the  
31 BCERP (with vesting service to be determined in the same manner as  
32 under the BCERP), and
- 33 • “Disabled or become eligible for disability benefits under the Company-  
34 sponsored retirement plan” will mean that the employee would have  
35 become eligible for disability benefits under the BCERP had he or she  
36 been a participant in the BCERP.

37 You are no longer eligible for coverage under the Retiree Medical Plan after  
38 attaining age 65 or becoming eligible for Medicare. Effective January 1,  
39 2026, the Company will provide employees retiring during the term of this

1 Agreement access to a Medicare plan that is available to eligible retirees in  
2 the Puget Sound region (the “Post-65 Retiree Medical Plan”). The current  
3 plan offered to this population is the Aetna Medicare Advantage ESA PPO.

#### 4 **Eligible Dependents of Retired Employees**

5 Dependents eligible for the Retiree Medical Plan are your legal spouse (as  
6 recognized under both applicable state law and the Internal Revenue Code)  
7 or your eligible domestic partner (as defined in Attachment A), and children  
8 (natural children, adopted children, children legally placed with you for  
9 adoption, and stepchildren, including children of your eligible domestic  
10 partner) who are under age 26, unmarried, and dependent on you for  
11 principal support. [Note: Any reference to an employee’s spouse in this  
12 Attachment B includes reference to an employee’s domestic partner, to the  
13 extent applicable in the context.]

14 You may request coverage for the following dependents:

- 15 • An opposite-gender common-law spouse if the relationship meets the  
16 common-law requirements for the state where you entered into the  
17 common-law relationship.
- 18 • Other children, as follows, who are under age 26, unmarried, and  
19 dependent on you for principal support:
  - 20 - Children who are related to you either directly or through marriage  
21 (e.g., grandchildren, nieces, nephews).
  - 22 - Children for whom you have legal custody or guardianship (or for  
23 whom you have a pending application for legal custody or  
24 guardianship) and are living with you.

25 Proof of dependent eligibility will be required. Some states have laws  
26 requiring insured health plans to offer coverage for certain registered  
27 domestic partners.

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

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

## 1 **Special Provisions**

- 2 • Your dependents.

3 If you or any of your dependents is covered or becomes covered (or  
4 eligible for benefits by reason of having been covered) under another  
5 Company-sponsored plan providing medical benefits, that person is not  
6 eligible for the Retiree Medical Plan. If you and your spouse are both  
7 retired from Boeing, one retiree may elect to cover the other under the  
8 company-sponsored retiree medical plan. Additionally, if your spouse is  
9 a part-time Boeing employee or on an approved leave of absence or layoff,  
10 your spouse and eligible children are considered eligible dependents if  
11 other Boeing coverage is waived. If your spouse and eligible children are  
12 covered under your spouse's active Boeing-sponsored plan, they will be  
13 considered eligible for the Retiree Medical Plan at the time they no longer  
14 are eligible for coverage under your spouse's plan.

15 No person may be covered both as a retired employee and as a dependent  
16 and no person will be considered as a dependent of more than 1 retired or  
17 active employee.

- 18 • Your death.

19 Upon your death, your spouse and any other covered dependents remain  
20 eligible for coverage under the Retiree Medical Plan until the earliest of  
21 these dates:

- 22 - Your spouse or other dependent attains 65 years of age.
- 23 - Your spouse or other dependent becomes eligible for Medicare.
- 24 - Your spouse's death.
- 25 - The end of the last month that contributions are paid.

26 Surviving covered dependents under age 65 may continue their coverage  
27 as described above, or as described in the Termination of Retiree Medical  
28 Coverage section, or convert their medical coverage as described in that  
29 section.

## 30 **Disabled Children**

31 A disabled child age 26 or older continues to be eligible if a physician  
32 provides proof that he or she is incapable of self-support due to any mental  
33 or physical condition that began before age 26. You may be required to  
34 confirm the disability from time to time. The child must be unmarried and  
35 dependent on you for principal support. Coverage continues under the  
36 Retiree Medical Plan for the duration of the incapacity as long as you

- 1 continue to be enrolled in the plan and the child continues to meet these  
2 eligibility requirements.
- 3 Special applications for coverage are required for disabled dependent  
4 children age 26 or older.

## 5 **Retiree Medical Plan Enrollment**

### 6 **Initial Enrollment**

7 You and your eligible dependents automatically will be enrolled at the time  
8 you become eligible, provided you pay any required contributions. You and  
9 your dependents will be enrolled in the same plan as immediately before  
10 retirement, if available.

11 You may elect to change medical plans by calling the Boeing Service Center  
12 within 31 days of the date you retire. The Company will supply enrollment  
13 instructions at the time of your retirement.

14 All family members, including you, must be enrolled in the same medical  
15 plan.

### 16 **Spouse Coverage**

17 Each retired employee enrolling a spouse (including a domestic partner as  
18 noted above) must provide information regarding coverage available through  
19 another employer to determine whether special contributions are required to  
20 enroll the spouse. If you do not authorize a required contribution, your  
21 spouse will not be enrolled for medical coverage. You will not be able to  
22 enroll your spouse until the date your spouse loses the option to be covered  
23 under the other employer-sponsored medical plan.

24 The Company will require periodic verification of data.

### 25 **Company Couples**

26 If a retiree and their spouse or domestic partner are both retired from the  
27 Company, one retiree may elect to cover the other (who waives retiree  
28 medical coverage) under their Company-sponsored retiree medical plan.

### 29 **Special Enrollment Events**

30 If you declined coverage in the Retiree Medical Plan for yourself and/or your  
31 eligible dependents when you were first eligible because you or your  
32 dependents had other employer-sponsored medical coverage, you may enroll  
33 yourself and/or your eligible dependents if you or your dependent  
34 experiences one of these special enrollment events:

- 35 • You or your dependent loses or becomes ineligible for other employer-  
36 sponsored medical coverage because of an event such as loss of dependent

1 status under another employer’s plan (through divorce, legal separation,  
2 termination of a domestic partner relationship, or dependent child  
3 reaching the limiting age), death, termination of employment, reduction  
4 in hours of employment, termination of employer contributions toward  
5 the coverage, elimination of coverage for the class of similarly situated  
6 employees or dependents, moving out of the plan’s service area with no  
7 other coverage available from the other employer, or reaching the lifetime  
8 limit on all benefits under the other employer’s plan.

- 9 • You or your dependent becomes ineligible for Medicaid or a state  
10 Children’s Health Insurance Program and loses coverage; you or your  
11 dependent becomes eligible for premium assistance under Medicaid or a  
12 state’s child health care plan.
- 13 • You or your dependent exhausts any continuation coverage from another  
14 employer; that is, coverage provided under the Consolidated Omnibus  
15 Budget Reconciliation Act of 1985, as amended (COBRA), ends.
- 16 • You gain a new dependent because of marriage, entering into a domestic  
17 partner relationship, birth, adoption, or placement for adoption.

18 If you experience a special enrollment event, you can enroll yourself and/or  
19 your eligible dependents in a Retiree Medical Plan as described above. You  
20 can enroll in any family status tier and any health plan option available to  
21 you.

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

25 In addition, a retiree who fails to make timely premium payments resulting  
26 in a loss of coverage under the Retiree Medical Plan due to non-payment will  
27 be allowed a one-time special reenrollment opportunity to reinstate the  
28 coverage, provided that the employee seeks and completes reenrollment  
29 within 180 days of the loss of coverage and timely repays all missed  
30 premium payments.

### 31 **Deferred Enrollment**

32 If you decline enrollment in the Retiree Medical Plan because of other  
33 employer-sponsored health care coverage (such as through your spouse’s  
34 employer, including Boeing), you may be able to enroll yourself and your  
35 eligible dependents in the Company-sponsored Retiree Medical Plan at a  
36 later date as long as enrollment is within 60 days after other coverage ends.

37 If you decline dependent enrollment when first eligible and your dependent’s  
38 other health care coverage was through continuation coverage from a  
39 previous employer (coverage mandated by the Consolidated Omnibus

1 Budget Reconciliation Act of 1985 (COBRA), as amended), your dependent  
2 must exhaust his or her COBRA coverage to be eligible for deferred  
3 enrollment.

4 If you are *not* enrolled in the Company-sponsored Retiree Medical Plan and  
5 have a new dependent as a result of an event such as marriage, entering into  
6 a domestic partner relationship, birth, adoption, or placement for adoption,  
7 you may enroll yourself, your spouse or domestic partner, and any dependent  
8 children during the year as long as enrollment is requested within 60 days  
9 after the event by contacting the Boeing Service Center.

10 If you *are* enrolled in the Retiree Medical Plan and have a new dependent as  
11 a result of marriage, entering into a domestic partner relationship, birth,  
12 adoption, or placement for adoption, you may enroll your new dependent  
13 during the year as long as enrollment is requested within 120 days after the  
14 qualified event. See “Changes in Status” below for more information.

15 If you *are* enrolled in the Retiree Medical Plan and have not enrolled your  
16 eligible dependents because of other employer-sponsored health care  
17 coverage, you may be able to enroll your eligible dependents in the  
18 Company-sponsored Retiree Medical Plan at a later date as long as  
19 enrollment is within 60 days after other coverage ends. The coverage loss  
20 must be due to loss of eligibility for the health care coverage (including from  
21 divorce, legal separation, termination of a domestic partner relationship,  
22 death, termination of employment, or reduction in hours of employment),  
23 termination of employer contributions toward such coverage, or reaching the  
24 other plan’s lifetime maximum benefit.

## 25 **Transfer Between Plans**

26 Transfer between plans is permitted only during authorized annual  
27 enrollment periods or following a change of residence.

- 28 • Annual enrollment period.

29 The Company establishes an annual enrollment period on or before  
30 January 1 each year when you may change medical plans.

- 31 • Change of residence.

32 If you move out of a coordinated care plan or HMO service area, you have  
33 60 days to select a medical plan available in the new location by calling  
34 the Boeing Service Center. It is your responsibility to notify the Company  
35 of the change in residence within the 60-day period.



## 1 **Status Changes**

2 If you already are enrolled for this retiree medical coverage, you may be able  
3 to change coverage or add an eligible dependent if you experience one of the  
4 status changes described below. Any change to your coverage must be  
5 consistent with the status change that affects your or your dependent's  
6 eligibility for Company-sponsored health care coverage or health care  
7 coverage sponsored by your eligible dependent's employer.

8 Status changes include the following:

- 9 • You marry, divorce, or become legally separated, or the marriage is  
10 annulled.
- 11 • You enter into or dissolve a domestic partner relationship.
- 12 • You acquire a new, eligible dependent child, such as by birth, adoption,  
13 or placement for adoption.
- 14 • Your spouse or dependent child dies.
- 15 • You or your spouse or dependent child starts or stops working.
- 16 • Your spouse or dependent child has any other change in employment  
17 status that affects eligibility for coverage such as changing from full time  
18 to part time (or part time to full time), salaried to hourly (or hourly to  
19 salaried), strike or lockout, a transfer between a nonunion salaried  
20 position and a union-represented position, or beginning or returning from  
21 an unpaid leave of absence, including an approved leave of absence in  
22 accordance with the Family and Medical Leave Act.
- 23 • You or your spouse or dependent child experiences a significant increase  
24 in the cost of employer-sponsored health care coverage or the employer-  
25 sponsored health care coverage ends, including expiration of COBRA  
26 coverage.
- 27 • The Company adds a new benefit option or significantly improves an  
28 existing benefit option.
- 29 • You or your spouse or dependent child experiences a significant  
30 curtailment or cessation of employer-sponsored medical coverage.
- 31 • You or your spouse or dependent child becomes eligible or ineligible for  
32 Medicare or Medicaid; you or your dependent becomes ineligible for  
33 Medicaid or a state Children's Health Insurance Program and loses  
34 coverage.
- 35 • You or your dependent becomes eligible for premium assistance under  
36 Medicaid or a state's child health care plan.
- 37 • Your dependent child becomes eligible for, or no longer is eligible for,  
38 health care coverage due to age limits, principal support status, marriage,  
39 or a similar eligibility requirement.

- 1 • You or your spouse or dependent child makes an enrollment change in his  
2 or her employer-sponsored health care coverage, either because of a  
3 qualified change in status or an annual enrollment.
- 4 • You or your spouse or dependent child changes place of residence or work,  
5 affecting access to care within the current plan or access to network  
6 providers.
- 7 • You are transferred to a different division, affecting eligibility for benefits  
8 under Company-sponsored health care plans.
- 9 • You or your spouse or dependent child loses coverage under a group  
10 health plan sponsored by a governmental or educational institution.

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

15 If you are eligible to add new dependents, you must request the dependent  
16 enrollment change within 60 days after the qualified event. You can enroll a  
17 new dependent within 120 days following your marriage, entering into a  
18 domestic partner relationship, or your dependent child's birth, adoption, or  
19 placement for adoption. Enrollment may be requested by calling the Boeing  
20 Service Center. To request enrollment for a new dependent more than 60 days  
21 but within 120 days after marriage, entering into a domestic partner  
22 relationship, birth, adoption, or placement for adoption, you must call the  
23 Boeing Service Center and speak with a customer service representative.  
24 You must provide the Boeing Service Center with any required supporting  
25 documentation by the date specified by the Boeing Service Center or your  
26 request will be denied.

## 27 **Effective Date of Retiree Medical Coverage**

### 28 **Retired Employees**

29 If you are a newly retired employee, the plan becomes effective on the first  
30 day of the second month following the month in which your active  
31 employment ends, provided you pay any required contributions.

32 If you are eligible for retiree medical coverage at the time active employment  
33 with the Company ends, you may defer enrollment in the Retiree Medical  
34 Plan until the date your benefits begin under the Company-sponsored  
35 retirement plan. If you are hired on or after January 3, 2014, are not a  
36 participant in The Boeing Company Employee Retirement Plan (BCERP),  
37 and are eligible for retiree medical coverage at the time active employment  
38 with the Company ends, you may defer enrollment in the Retiree Medical

1 Plan until any time before becoming eligible for Medicare or attaining age  
2 65 as long as you have other employer sponsored medical coverage (such as  
3 through your spouse, as an active employee, or COBRA coverage).

4 You are not eligible for retiree medical coverage after becoming eligible for  
5 Medicare or attaining age 65.

## 6 **Dependents**

7 Current eligible dependents are covered for retiree medical benefits on the  
8 same date your coverage is effective, provided proper application is made  
9 and you pay any required contributions. Eligible dependents acquired after  
10 your coverage is effective become covered on the date of marriage, upon  
11 establishing entering into a domestic partner relationship, date of birth, or  
12 date the child is legally placed with you for adoption, if application is made  
13 within 120 days of the event and you pay any required contributions. For  
14 other newly eligible dependents, coverage is effective on the date  
15 dependency is established, if application is made within 60 days and you pay  
16 any required contributions.

## 17 **Medical Plans**

18 The Company-sponsored medical plan is the Traditional Medical Plan.  
19 Where appropriate, Health Maintenance Organizations (HMOs) and  
20 Coordinated Care Plans (CCPs) will be offered to retirees and their  
21 dependents in addition to the Traditional Medical Plan. See your Summary  
22 Plan Description or Certificate of Coverage for a description of medical plan  
23 benefits.

## 24 **Summary of Traditional Medical Plan Benefits**

25 This summary applies to the Traditional Medical Plan.

26 This section shows general plan features; the Traditional Medical Plan  
27 Schedule of Benefits section in Attachment A shows benefit amounts and  
28 other plan information.

29 Benefit and plan payment provisions are based on a benefit year, January 1  
30 through December 31.

31 Covered medical expenses for the Traditional Medical Plan are described in  
32 the Summary of Traditional Medical Plan Benefits section of Attachment A.  
33 Highlights of specific benefit amounts are described in the Traditional  
34 Medical Plan Schedule of Benefits in Attachment A.

35 Vision care program benefits do not apply to the Traditional Medical Plan.

36 Prescription drug benefits are as shown below.

## 1 **Prescription Drug Program**

2 The prescription drug program described in this section is available to retired  
3 employees and dependents enrolled in the Traditional Medical Plan.

4 This program offers 2 coverage options for prescription drugs and  
5 medicines:

- 6 • Retail pharmacy card program—you can use the pharmacy card to obtain  
7 covered prescriptions from a participating retail pharmacy.
- 8 • Mail service program.

9 A formulary applies to all retail pharmacy and mail order purchases. (A  
10 formulary is a list of drugs determined to be effective in both cost and  
11 treatment and approved by the Food and Drug Administration (FDA). A  
12 nonformulary drug also may be effective for treatment, but is not as cost-  
13 effective as formulary or generic drugs. A group of practicing physicians and  
14 pharmacists routinely reviews drugs to include in the formulary. If clinical  
15 data show several drugs are equally effective, the most cost-effective drug  
16 usually is chosen. The formulary may change from time to time.)

17 There are 3 categories of prescription drug purchases:

- 18 • **Generic**—drugs that are chemically and therapeutically equivalent to  
19 their brand-name counterparts but usually cost less.
- 20 • **Brand-name formulary**—brand-name drugs selected for the formulary  
21 based on cost and effectiveness.
- 22 • **Brand-name nonformulary**—brand-name drugs not selected for the  
23 formulary.

24 The program includes utilization management services and generic  
25 incentives (see “Pharmacy Management” and “Member Pay the Difference  
26 Generic Incentive Program” on page 307) to help ensure cost-effective,  
27 clinically appropriate treatment.

# 1 Prescription Drug Program Schedule of Benefits

<b>Prescription Drug Program Schedule of Benefits</b> The prescription drug program is administered by Prime Therapeutics (the service representative).			
	Generic	Brand-Name Formulary*	Brand-Name Nonformulary*
<b>Annual Prescription Drug Out-of-Pocket Maximum</b>	<u><b>Through December 31, 2024:</b></u> \$7,050 per individual \$13,200 per family of two or more  <u><b>Effective January 1, 2025:</b></u> \$6,800 per individual \$12,700 per family of two or more  <u><b>Effective January 1, 2026:</b></u> \$4,000 per individual \$8,000 per family of two or more		
<b>Retail Pharmacy</b> (up to a 30-day supply)	\$5 copayment	\$25 copayment; if a brand-name drug is purchased when an equivalent generic is available - whether you or your physician requests the brand-name drug - you will pay the generic coinsurance plus the cost difference of the brand-name drug and generic drug.	\$40 copayment; if a brand-name drug is purchased when an equivalent generic is available – whether you or your physician requests the brand- name drug – you will pay the generic coinsurance plus the cost difference of the brand-name drug and generic drug.
<b>Mail Service Program</b> (up to a 90-day supply)**	\$10 copayment	\$60 copayment if no generic is available OR if you are approved through the	\$100 copayment if no generic is available OR if you are approved through the

**Prescription Drug Program Schedule of Benefits**

The prescription drug program is administered by  
 Prime Therapeutics  
 (the service representative).

	<b>Generic</b>	<b>Brand-Name Formulary*</b>	<b>Brand-Name Nonformulary*</b>
		review process. Otherwise, if a brand-name drug is purchased when an equivalent generic is available – whether you or your physician requests the brand-name drug - you will pay the generic copayment plus the cost difference of the brand-name drug and generic drug.	review process. Otherwise, if a brand-name drug is purchased when an equivalent generic is available – whether you or your physician requests the brand-name drug – you will pay the generic copayment plus the cost difference of the brand-name drug and generic drug.

Under the Retiree Medical Plan, a \$75 annual deductible applies to each individual for prescription drugs purchased under the retail pharmacy card program. For families of 3 or more, the annual deductible maximum is \$225. This deductible is separate from the Traditional Medical Plan annual deductible described in the Schedule of Benefits.

A covered person’s out-of-pocket expense is limited to \$75 for each prescription or refill after the deductible is satisfied.

Usual and customary charges are the charges the service representative allows for participating pharmacies.

\*If you choose a brand-name drug when a generic equivalent is available, you will pay more than the coinsurance and copayments shown in this table. For details, see “Member Pay the Difference Generic Incentive Program” below.

\*\*Copays apply to drugs available for a 90-day supply at participating retail pharmacies.

## **Retail Pharmacy Card Program**

This program covers medically necessary prescription drugs required by Federal or state law to be prescribed in writing by a physician or dentist and dispensed by a licensed pharmacist. Covered prescriptions include legend drugs, contraceptive medications, tobacco cessation drugs, self-administered injectable drugs, insulin, needles and syringes, test strips, lancets, and alcohol swabs.

Prior authorization may be required for certain medications.

The retail pharmacy card program covers up to a 30-day supply.

## **Mail Service Program**

The Mail Service Program covers medically necessary prescription drugs and medicines required by Federal or state law to be prescribed in writing by a physician or dentist and dispensed by a licensed pharmacist. Covered prescriptions include legend drugs, contraceptive medications, tobacco cessation drugs, self-administered injectable drugs, insulin, needles and syringes, test strips, lancets, and alcohol swabs.

Prior authorization may be required for certain medications.

The Mail Service Program covers up to a 90-day supply per prescription or refill. Authorized refills are covered only after the initial order has been used. Certain controlled substances are subject to quantity limits.

Unless the physician indicates otherwise, you will receive a generic equivalent of the prescribed drug when available and permissible under the law. You also may receive a different brand that is medically equivalent.

## **Pharmacy Management**

Specific drugs are reviewed by the prescription drug program service representative at the point of sale to determine if your prescription is covered by the plan, clinically appropriate, and consistent with usage guidelines.

## **Member Pay the Difference Generic Incentive Program**

To encourage the use of generic drugs, if a brand-name drug is purchased when an 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 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

1 will be charged the brand coinsurance or copayment for the brand-name  
2 drug. If coverage is not approved, coverage will be provided according to  
3 the member pay the difference generic incentive program.

#### 4 ***Review Process for Brand-name Drugs***

5 Brand-name drugs are covered at no additional cost to you when your  
6 physician provides information to the service representative, (Prime  
7 Therapeutics at 1-888-802-8776) showing that you:

- 8 • Experienced an adverse reaction, allergy, or sensitivity to a generic  
9 equivalent,
- 10 • Experienced therapeutic failure with a generic equivalent,
- 11 • May be destabilized by changing to a generic equivalent, or
- 12 • Would be at unnecessary risk by changing to a generic equivalent.

#### 13 **Prescription Drug Program Exclusions**

14 The following items are excluded under both the retail pharmacy card  
15 program and the mail service program:

- 16 • Any prescription filled in excess of the number prescribed by the  
17 physician or any refill after 1 year from the date of the prescription.
- 18 • Any prescription for which the person is eligible to receive benefits under  
19 another employer's group benefit plan or a workers' compensation law or  
20 from any municipal, state, or Federal program, including a Medicare  
21 prescription drug plan, except as required by law.
- 22 • Any service or supply otherwise excluded by the Traditional Medical  
23 Plan.
- 24 • Appliances or devices, such as blood glucose monitors or other nondrug  
25 items, including but not limited to therapeutic devices and artificial  
26 appliances. This exclusion does not apply to needles or syringes or to test  
27 strips, lancets, or alcohol swabs.
- 28 • Administration or injection charges for any drug other than for vaccines  
29 and immunizations covered under the retail pharmacy benefit.
- 30 • Delivery or handling charges.
- 31 • Drugs dispensed during an inpatient admission by a hospital, skilled  
32 nursing facility, sanatorium, or other facility.
- 33 • Experimental drugs or drugs used for investigational purposes.
- 34 • Fertility agents, unless approved by the service representative.
- 35 • Immunizing agents except allergy serum.
- 36 • Infusion therapy drugs, except as described in the home health care  
37 benefit.



- 1 • Medications to treat sexual dysfunction, unless the patient is being treated
- 2 for a diagnosed medical condition.
- 3 • Obesity drugs, unless approved by the service representative.
- 4 • Over-the-counter drugs.
- 5 • Prescriptions that are not medically necessary to treat an illness, injury, or
- 6 other covered condition, except as specifically provided by the program.
- 7 • Replacement of lost or misplaced prescriptions.

## 8 **Coordination of Benefits—Retired Employees**

9 If you or your dependent has other health care coverage in addition to being  
10 covered under this Plan, the following rules govern coordination of benefits  
11 with the other coverage. Other coverage includes, whether insured or  
12 uninsured, another employer’s group benefit plan, other arrangement of  
13 individuals in a group, Medicare (to the extent allowed by law), individual  
14 insurance or health coverage, and insurance that pays without consideration  
15 of fault.

16 The service representative has the right to obtain and release any information  
17 or recover any payment it considers necessary to administer these provisions.

## 18 **Order of Payment**

19 The primary plan pays its benefits first and pays its benefits without regard  
20 to benefits that may be payable under other plans. When another plan is the  
21 primary plan for health care coverage, the secondary plan pays the difference  
22 between the benefits paid by the primary plan and what would have been  
23 paid had the secondary plan been primary.

- 24 • A plan is considered primary if
  - 25 - It has no order of benefit determination rules.
  - 26 - It has benefit determination rules that differ from coordination of
  - 27 benefit rules under state regulations or, if not insured, that differ from
  - 28 these rules.
  - 29 - All plans that cover an individual use the same coordination of benefit
  - 30 rules, and under those rules, the plan is primary.
- 31 • If the aforementioned rules do not determine which group plan is
- 32 considered primary, this plan applies the following coordination of benefit
- 33 rules:
  - 34 - A plan that covers a person as an employee, retiree, member, or
  - 35 subscriber pays before a plan that covers the person as a dependent.
  - 36 - A plan that covers a person as an active employee or dependent of an
  - 37 active employee is primary. The plan that covers a person as a retired,

1 laid-off, or other inactive employee or as a dependent of a retired, laid-  
2 off, or other inactive employee is secondary.

3 - If a dependent child is covered under both parents' group plans, the  
4 child's primary coverage is provided through the plan of the parent  
5 whose birthday comes first in the calendar year, with secondary  
6 coverage provided through the plan of the parent whose birthday  
7 comes later in the calendar year.

8 - If a dependent child's parents are divorced or separated and a court  
9 decree establishes financial responsibility for the health care coverage  
10 of the child, the plan of the parent with such financial responsibility is  
11 the primary plan of coverage. If the divorce decree is silent on the issue  
12 of coverage, the following guidelines are used:

- 13 ○ The plan of the parent with custody pays benefits first.
- 14 ○ The plan of the spouse of the parent with custody pays second.
- 15 ○ The plan of the parent without custody pays third.
- 16 ○ The plan of the spouse of the parent without custody pays  
17 fourth.

18 - If none of the aforementioned rules establishes which group plan  
19 should pay first, then the plan that has covered the person for the  
20 longest period is considered the primary plan of coverage.

21 - Continuation coverage under the Consolidated Omnibus Budget  
22 Reconciliation Act of 1985 (COBRA), as amended, always is  
23 secondary to other coverage, except as required by law.

24 - If the retired employee or dependent is confined to a hospital when first  
25 becoming covered under this plan, this plan is secondary to any plan  
26 already covering the retired employee or dependent for the eligible  
27 expenses related to that hospital admission. If the retired employee or  
28 dependent does not have other coverage for hospital and related  
29 expenses, this plan is primary.

30 Benefits under a Company-sponsored health care plan are not  
31 coordinated with benefits paid under any other group plan offered by the  
32 Company. You can receive benefits from only 1 Company-sponsored  
33 health care plan.

34 Federal rules govern coordination of benefits with Medicare. In most  
35 cases, Medicare is secondary to a plan that covers a person as an active  
36 employee or dependent of an active employee. Medicare is primary in  
37 most other circumstances.

## **Payment Provisions**

The primary plan pays benefits without regard to any other plan. When the Company-sponsored plan is secondary, it adjusts benefits so that the total payable under both plans for expenses covered under the Company-sponsored plan is not more than would be payable under the Company-sponsored plan. Neither plan pays more than it would without coordination of benefits.

Plan means any plan providing medical, dental, vision care, hearing aid benefits, or treatment under individual insurance, group insurance, or any other coverage for individuals in a group, whether on an insured or uninsured basis.

Treatment of end-stage renal disease is covered by the Company-sponsored plan for the first 30 months following Medicare entitlement due to end-stage renal disease, and Medicare provides secondary coverage. After this 30-month period, you will be covered by Medicare only.

Coordination of benefit provisions of Company-sponsored HMO and CCP plans vary by plan.

## **Post-65 Retiree Medical Plan**

Effective January 1, 2026, the Company will provide employees retiring during the term of this Agreement access to a Medicare plan that is available to eligible retirees in the Puget Sound region. The current plan offered to this population is the Aetna Medicare Advantage ESA PPO.

## **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.

- 1 • Complete a claim and submit all bills related to the injury or illness to the  
2 responsible party or any insurer.
- 3 • Complete and submit all of the necessary information requested by the  
4 service representative.
- 5 • Reimburse the plan from any payment he or she receives from the  
6 responsible party or any other source.
- 7 • Allow the plan to be subrogated to all rights of recovery a covered person  
8 has against the responsible party or any other source and to cooperate with  
9 the service representative's efforts to recover from the responsible party  
10 or any other source any amounts this plan pays in benefits related to the  
11 injury or illness, including any lawsuit brought against the responsible  
12 party or insurer.
- 13 • Grant the plan a lien in the amount of benefits paid which can be enforced  
14 against any source of funds available to compensate the covered person  
15 for injury or illness caused by another party.

16 This provision applies whenever you or a covered dependent is entitled to or  
17 receives benefits under this plan and is also entitled to or receives  
18 compensation or any other funds from another party in connection with that  
19 same medical condition, whether by insurance, litigation, settlement, or  
20 otherwise. The plan is entitled to such funds to the extent of plan benefits  
21 paid to or on behalf of the individual as a first-priority right, whether or not  
22 the individual has been "made whole," and without regard to any common  
23 fund doctrine. The plan is entitled to such funds regardless of whether the  
24 plan's benefits are identified as being included in the funds and regardless of  
25 whether liability for payment of the funds is admitted by the responsible  
26 party or any other source of the funds. This plan may recover such funds by  
27 constructive trust, equitable lien, right of subrogation, reimbursement, or any  
28 other remedy allowed under applicable law.

29 The covered person shall do nothing to prejudice the plan's subrogation or  
30 recovery interest, including, but not limited to, refraining from making any  
31 settlement or recovery that attempts to reduce or exclude the full cost of all  
32 benefits provided by the plan. If an individual fails, refuses, or neglects to  
33 reimburse the plan or otherwise comply with the requirements of this  
34 provision, or if payments are made under the plan based on fraudulent  
35 information or otherwise in excess of the amount necessary to satisfy the  
36 provisions of the plan, then, in addition to all other remedies and rights of  
37 recovery that the plan may have, the plan has the right to terminate or  
38 suspend benefit payments and/or recover the reimbursement due to the plan  
39 by withholding, offsetting, and recovering such amount out of any future  
40 plan benefits or amounts otherwise due from the plan to or with respect to

1 such individual. The plan also has the right in any proceeding at law or equity  
2 to assert a constructive trust, equitable lien, or any other remedy or recovery  
3 allowed under applicable law, against any and all persons or entities who  
4 have assets that the plan can claim rights to. The plan has a first-priority right  
5 of recovery from any judgment, settlement or other payment, regardless of  
6 whether the individual has been “made whole,” and without regard to any  
7 common fund doctrine.

8 In the event that any claim is made that any part of this subrogation and  
9 recovery provision is ambiguous or questions arise concerning the meaning  
10 or intent of any of its terms, the plan or service representative shall have the  
11 sole authority and discretion to resolve all disputes regarding the  
12 interpretation of this provision.

## 13 **Termination of Retiree Medical Coverage**

### 14 **Retiree Coverage**

15 Your medical coverage stops on whichever of the following dates occurs  
16 first:

- 17 • You attain 65 years of age.
- 18 • You become eligible for Medicare.
- 19 • The end of the last month that any required contributions are paid.

20 Your covered dependents can continue their coverage until they reach their  
21 termination date as described below.

### 22 **Dependent Coverage**

23 Coverage for your eligible dependents terminates on whichever of the  
24 following dates occurs first:

- 25 • Your dependent no longer qualifies as an eligible dependent.
- 26 • Your dependent attains 65 years of age.
- 27 • Your dependent becomes eligible for Medicare.
- 28 • The death of your surviving spouse.
- 29 • The end of the last month that any required contributions are paid.

30 Your surviving covered dependents under the age of 65 may be permitted to  
31 convert their medical coverage as described below in “Conversion  
32 Privilege.”

### 33 **Continuation of Medical Coverage (COBRA)**

34 If medical coverage for your dependents (including a domestic partner or his  
35 or her children) otherwise would terminate due to one of the following  
36 reasons, these benefits may continue for specified periods under Public Law

- 1 99-272, Title X, as amended, if the individual makes a timely request to the  
2 Company and pays the required contribution.
- 3 • Your death.
  - 4 • Your divorce or dissolution of a domestic partner relationship.
  - 5 • You become entitled to Medicare.
  - 6 • Your dependent child ceases to be a dependent as defined under this plan.  
7 (A child eligible to be continued under the plan's disabled child provision  
8 will still be considered to have dependent status.)

9 **Conversion Privilege**

10 If medical coverage terminates for reasons other than voluntary cancellation  
11 of coverage or by becoming eligible for another Company-sponsored plan,  
12 you or your dependent may apply for an individual policy of insurance of a  
13 kind then being issued by the service representative for group conversion  
14 purposes. Evidence of good health will not be required, provided written  
15 application is made and the first retiree medical premium is paid within  
16 31 days following the end of the month in which medical coverage  
17 terminates. The policy will be issued at the service representative's  
18 customary rate applicable to the age of the individual and to the form and  
19 amount of insurance provided under the converted policy.

# ALPHABETICAL INDEX

	<b>Subject</b>	<b>Article</b>	<b>Page(s)</b>
3	401(k) Plan .....	9	44
4	777X Work Placement.....	LOU#40	193
5	Access to Plants – Business Representatives.....	4.3	14
6	Access to Plants - Grand Lodge Representatives .....	4.4	14
7	Accidental Death and Dismemberment (Attachment A) .....		215
8	Alcohol & Drug Dependency Program.....	21.6(c)	94
9	Acupuncture (Attachment A) .....		235
10	Ambulance (Attachment A).....		236
11	AOG Assignments.....	LOU#8	147
12	Apprentice - Agreements.....	17.2	81
13	Apprentice - Rates .....	17.1	81
14	Apprenticeship-Wichita.....	20.2(e)	91
15	Apprenticeship Utilization.....	LOU#43	196
16	Arbiter - Selection of .....	19.7	85
17	Arbitration – Rules of Procedure.....	19.9	86
18	Armed Forces - Reserve Pay .....	6.6(b)	28
19	Armed Forces - Return from L.O.A. ....	15.2(f)	70
20	Artificial Intelligence (AI) Systems.....	LOU#44	197
21	Authorized Leaves of Absence.....	15.1	68
22	Base Rate Ranges .....	6.2(a)	21
23	Base Rates .....	6.2	21
24	Base Rates - After Reclassification .....	6.3(c)	23
25	Bereavement Leave .....	6.6(c)	28
26	Bulletin Boards.....	4.2	13
27	Career Guides (Use of).....	LOU#29	176
28	Category A .....	22.1(a)	99
29	Category A - Effective Application .....	22.1(d)	100
30	Category A - Recall Rights.....	22.9	108
31	Category B.....	22.1(b)	100
32	Category B - Promotional Procedures .....	22.11	109
33	Centers of Excellence (Attachment A) .....		236,255
34	Cessation of Pension Accruals.....	10.10	53
35	Child Development.....	LOU#24	170
36	Chiropractor (Attachment A).....		232,246
37	Classification Guides & Representative Jobs .....	13.10	63
38	Conversion of Benefits (Attachment B) .....		314
39	Coordinated Care Plan Benefits (Attachment A).....		266
40	Coordination of Benefits (Attachment A).....		282
41	Copayments (Attachment A).....		228
42	Cosmetic Surgery (Attachment A) .....		237
43	Cost of Living Adjustment .....	6.4	25
44	Covered Medical Services & Supplies (Attachment A).....		235
45	Deductibles-Medical Plan (Attachment A).....		254
46	Deductibles-Dental Plan (Attachment A).....		272

1	<b>Subject</b>	<b>Article</b>	<b>Page(s)</b>
2	Deductions - Union Dues and Initiation Fee.....	3.8	12
3	Deductions - M.N.P.L. ....	3.9	13
4	Definitions (Workforce).....	22.1	99
5	Definitions (Medical) (Attachment A).....		253
6	Dental Implants (Attachment A) .....		277
7	Dental Network Plan (Attachment A) .....		272
8	Dental Prepaid Plan (Attachment A) .....		281
9	Designated Candidates (Definition).....	22.1(k)	102
10	Disability Benefits (Attachment A) .....		217
11	Dismissals.....	19.3	84
12	Downgrade (Definition) .....	22.1(c)	100
13	Drugs (Prescription) (Attachment A) .....		260
14	Duration of Agreement.....	24	123
15	Durable Medical Equipment (Attachment A).....		237
16	Effective Application - Promotion.....	22.1(d)	100
17	Elder Care Program .....	21.6(b)	93
18	Employee Requested Downgrade.....	22.1(c)(1)	100
19	Employee Requested Transfer (ERT).....	22.1(r)	103
20	Emergency Classification - Definition .....	22.1(e)	101
21	Emergency Room Deductible (Attachment A).....		230
22	Employee Assistance.....	21.6	93
23	Employees with Injuries or Illnesses .....	16.10	79
24	Erectile Dysfunction (Attachment. A) .....		238
25	Erosion (Jurisdictional Claims) .....	1.3	10
26	Establishment of New Jobs.....	13.5	61
27	Expiration of Agreement .....	24	123
28	Eye Care (Attachment A) .....		258
29	Failure to Maintain Union Membership .....	3.4	11
30	Factory Service Rate Structure .....	LOU#23	169
31	Family Leave Act (FMLA) (Attachment A).....		290
32	Financial Security Plan (F.S.P.).....	8.5	44
33	First Aid.....	16.8	78
34	Future Work Placement .....	LOU#41	194
35	Garnishments.....	6.7	29
36	General Wage Increases .....	6.3(b)	23
37	Glossary of Terms and Phrases.....		125
38	Grievance Procedure and Arbitration .....	19	82
39	Grievance - Misassignments.....	13.14	65
40	Grievance - Union vs Company & Company vs Union.....	19.4	84
41	Grievance - Arbitration - Procedures.....	19.9	86
42	Group Benefits .....	11	54
43	Group Benefits - Cost of Medical Benefits.....	11.2	54
44	Guide Dogs of America.....	3.10	13
45	Hazard Communication Team.....	16.2(f)	74
46	Health & Safety .....	16	71
47	Health & Benefits - Exclusions (Attachment A) .....		248



1	<b>Subject</b>	<b>Article</b>	<b>Page(s)</b>
2	Hearing Aids (Attachment A).....		231
3	Holidays .....	7	35
4	Holidays – Non-Regular Workweek.....	7.5	38
5	Holidays - Unworked .....	7.2	37
6	Holidays - Pay - Worked .....	7.3	38
7	Holidays – Third Shift .....	7.7	38
8	Hospice (Attachment A).....		231
9	Hospital Services (Attachment A).....		240,255
10	Human Organ Donor (Attachment A) .....		247
11	IAM/Boeing Health & Safety Institute .....	16.2	72
12	Imminent Danger (Definition of).....	16.1(b)	71
13	Implants, Dental (Attachment A).....		277
14	Incentive Plan .....	LOU#38	190
15	Industrial Injuries or Illnesses.....	16.10	79
16	Insurance-Retiree Medical Plan (Attachment B).....		293
17	Inventions .....	21.1	92
18	Job Family .....	22.1(g)	101
19	Job Title.....	22.1(f)	101
20	Joint Union/Boeing Executive Committees.....	LOU#37	188
21	Jurisdictional Claims .....	1.3	10
22	Jury Duty .....	6.6(a)	27
23	Labor Grades, Identification & Application of.....	13	61
24	Labor Grades - New Jobs .....	13.5	61
25	Lateral Reclassification .....	22.1(h)	101
26	Lateral Transfer .....	22.1(i)	101
27	Lateral Transfers & Reclassification - Rules .....	22.10	108
28	Layoff Benefits.....	23	121
29	Layoffs (For cause).....	19.3	84
30	Layoffs - Temporary.....	22.8	107
31	Leave of Absence - Authorized Types.....	15.1	68
32	Leave of Absence - Returns.....	15.2	69
33	Letters of Understanding .....		132
34	Life Insurance (Attachment A).....		214
35	Lockouts .....	18	82
36	Long-Term Disability (Attachment A) .....		220
37	Lunch Periods.....	5.3	18
38	Machinists Institute .....	LOU#42	195
39	Maintaining Union Membership.....	3.2	11
40	Materials Delivery & Inventory Process.....	LOU#34	183
41	Maternity Benefits (Attachment A) .....		244
42	Medical Coverage After Layoff.....	23.5	122
43	Medical-Covered Services & Supplies (Attachment A) .....		235
44	Medical - Deductible (Attachment A) .....		254
45	Medical Examinations .....	16.7	77
46	Medical - First Aid .....	16.8	78
47	Medical Leaves of Absence (Attachment A).....		289

1	<b>Subject</b>	<b>Article</b>	<b>Page(s)</b>
2	Medical Recommendations .....	16.9	78
3	Medical Review Program (Attachment A) .....		234
4	Mental Health Treatment (Attachment A) .....		256
5	Military Leave .....	6.6(b)	28
6	Misassignment Grievances .....	13.14	65
7	M.N.P.L. Contributions .....	3.9	13
8	New Job Establishment .....	13.5	61
9	Nondiscrimination Clause .....	21.4	93
10	Nonregular Workweek .....	6.5(c)	27
11	Normal Line of Promotion .....	22.1(j)	101
12	Occupational Health Nurse Rate Structure .....	LOU#49	203
13	Open Job Title .....	22.1(l)	102
14	Overtime - Rules Governing.....	6.10	30
15	Overtime.....	LOU#11	153
16	Paid Parental Leave .....	LOU#45	198
17	Paydays.....	6.8	29
18	Payroll Deductions - Union Dues & Init. Fee .....	3.8	12
19	Payroll Deductions – Guide Dogs of America.....	3.10	13
20	Payroll Deductions - M.N.P.L. ....	3.9	13
21	Pension Accruals to Cease.....	10.10	53
22	Permanent & Total Disability Benefit (Attachment A) .....		214
23	Physical Examination Requirement.....	16.7	77
24	Physical Examination-Routine (Attachment A) .....		257
25	Pilot Projects.....	21.8	96
26	Pregnancy (Attachment A) .....		244
27	Prepaid Dental Plan (Attachment A) .....		281
28	Prescription-Mail Order Drug Program (Attachment A) .....		262,264
29	Prescription Drug Benefit (Attachment A) .....		260
30	Progression Increases .....	6.3(a)	22
31	Primary Care+ .....	LOU#47	200
32	Promotional Candidates.....	22.14	114
33	Promotional Procedures-Graduate Apprentices.....	22.12	110
34	Promotional Procedures - Order of Filling Openings .....	22.11	109
35	Promotions - Effective Application for .....	22.1(d)	100
36	Promotions - Refusal of.....	22.13	114
37	Quality and Safety .....	LOU#48	201
38	Quality Through Training Program .....	20.2	89
39	Rate Retention .....	6.3(d)	24
40	Rates of Pay.....	6.2(a)	21
41	Ratification Bonus .....	LOU#32	180
42	Recall of Category A .....	22.9	108
43	Reclassification, Base Rates after .....	6.3(c)	23
44	Reclassification (Rules).....	22.10	108
45	Reconstructive Breast Surgery (Attachment A).....		245
46	Refusal of Promotion.....	22.13	114
47	Remote Locations (Travel and Relocation) .....	12	59

1	<b>Subject</b>	<b>Article</b>	<b>Page(s)</b>
2	Remote Locations - Special Provisions .....	22.16	117
3	Report Time.....	6.9	29
4	Representative Jobs - Definition of .....	13.10	63
5	Request for Review .....	22.14	114
6	Rest Periods.....	5.3	18
7	Retentions - Allowable .....	22.3	104
8	Retentions - Definitions.....	22.2	104
9	Retiree Medical Plan – Cost of.....	11.4	56
10	Retiree Medical Plan (Attachment B).....		293
11	Retirement Plan .....	10	48
12	Retirement Plan (Basic Benefits).....	10.6(a,b)	49
13	Retirement – Future Hires .....	10.9	52
14	Retirement Plan (Portland Unit) .....	10.8	51
15	Retirement – Special Company Contribution .....	9.6(c)	46
16	Retroactive Compensation.....	19.5	85
17	Return Rights - From Downgrade or Layoff .....	22.9	108
18	Returns from Leave of Absence (Pay).....	6.2(e)	22
19	Rights of Management.....	2	11
20	Rules Governing the Application of Job Descriptions.....		124
21	Sabotage .....	21.3	92
22	Safety - Focal Points.....	16.3	76
23	Safety Glasses.....	16.4(a)	76
24	Safety - IAM/Boeing Health & Safety Institute.....	16.2	72
25	Safety - Use of Safety Devices .....	16.4	76
26	Safety Report Forms (SHEAR) .....	16.5	77
27	Safety Shoes .....	16.4(b)	76
28	Second Surgical Opinion Requirement (Attachment A).....		235
29	Security Clearances .....	4.10	17
30	Security Interviews .....	21.5	93
31	Seniority .....	14	65
32	Seniority - Accumulation of .....	14.1	65
33	Seniority - Loss of .....	14.3	67
34	Seniority Progression Increases .....	6.3(a)	22
35	Seniority-Reinstatement by Duration of Layoff .....	14.4	68
36	Shift Differential.....	6.5	27
37	Shift Preference .....	5.4	19
38	Short Workweek.....	5.2	18
39	Shift Schedules.....	5.3	18
40	Short-Term Disability (Attachment A).....		217
41	SI&A Infrastructure, Roles and Responsibilities .....	LOU#35	184
42	Sick Leave - Credit - Unused.....	8.4(e)	42
43	Site Committees (HSI) .....	16.2(e)	73
44	Special Company Retirement Contribution .....	9.6(c)	46
45	Special Provisions Regarding Remote Locations .....	22.16	117
46	Steel-toed Shoes (Reimbursement).....	16.4(b)	76
47	Stewards .....	4.7	15

1	<b>Subject</b>	<b>Article</b>	<b>Page(s)</b>
2	Stewards-Departure from Work .....	4.9	17
3	Stewards - Investigation Time .....	4.8	16
4	Stewards - Surplusing.....	4.7(d)	16
5	Strikes and Lockouts .....	18	82
6	Subcontracting.....	21.7	94
7	Subcontracting, Facilities & Maintenance.....	LOU#2	136
8	Substance Use Disorder Treatment (Attachment A).....		241,257
9	Supervisors - Return to Unit.....	22.18(a)	119
10	Surplusing Procedures - Category A's .....	22.7	106
11	Surplusing – Rights to Downgrade.....	22.6	106
12	Survivor Income Benefit (Attachment A).....		226
13	Suspensions .....	19.3	84
14	<b>Tables:</b>		
15	Apprenticeship Program Target Jobs.....		81
16	Accidental Death & Dismemberment .....		215
17	Long-Term Disability Benefits.....		221
18	Short-Term Disability Benefits.....		218
19	Vision Care Benefits.....		258
20	Workers’ Compensation Benefits .....		218
21	Table of Contents - Group Benefits (Attachment A) .....		206
22	Table of Contents - Retirees Medical (Attachment B).....		294
23	Table of Contents - Letters of Understanding.....		133
24	Team Leader.....	LOU#33	181
25	Technology Briefings .....	21.9	98
26	Temporary Classifications.....	13.6	62
27	Temporary Layoffs.....	22.8	107
28	Temporary Promotion .....	22.1(q)	103
29	Termination of Insurance (Attachment A).....		286
30	Third Shift .....	6.5(d)	27
31	Tobacco and Nicotine Cessation (Attachment A).....		247,256
32	Transfers From One Location To Another .....	14.2	67
33	Transplant Benefits (Attachment A).....		247
34	Travel and Relocation.....	12	59
35	Travel Assignment Notices .....	12.3	59
36	Travel Assignments - Special Provisions .....	22.17	118
37	Tubal Ligation (Attachment A) .....		247
38	Tuition Fees.....	20.3	91
39	Union Activity During Working Hours .....	4.6	15
40	Union Dues.....	3.2	11
41	Union Representation-Add. Primary Locations .....	1.1(d)	9
42	Union Representation - Portland Unit .....	1.1(c)	9
43	Union Representation – Puget Sound Unit .....	1.1(a)	7
44	Union Representation - Wichita Unit .....	1.1(b)	8
45	Union Security.....	3	11
46	Vacation - Sick Leave, Financial Security Plan		
47	Credits-Computation .....	8.2	39

	<b>Subject</b>	<b>Article</b>	<b>Page(s)</b>
2	Vacation - Sick Leave, Financial Security Plan Credit-Use Of ....	8.4(b)	40
3	Vacation - Sick Leave, Financial Security Plan—Eligibility.....	8.3	40
4	Vacation - Unused Credit .....	8.4(d)	41
5	Vasectomy (Attachment A) .....		247
6	Vision Care Expense Benefit (Attachment A).....		258
7	Voluntary Downgrade .....	22.1(c)(1)	100
8	Wage Increases .....	6.3(b)	23
9	Wage Payment Basis .....	6.11	33
10	Wage Rates (Base) .....	6.2	21
11	Wage Rate - Nonregular Workweek.....	6.5(c)	27
12	Well Child Benefits (Attachment A) .....		257
13	Wellness Programs .....	21.6(a)	93
14	Witness Pay .....	6.6(a)	27
15	Work Placement .....	LOU#39	191
16	Workforce Administration - Definitions.....	22.1	99
17	Workforce Administration - Miscellaneous.....	22.18	119
18	Working Outside of Job Description (Rules Gov. Job Desc.) .....		124
19	Workweek .....	5.1	18
20	Workweek - Short Week .....	5.2	18
21	Workweek - Nonregular .....	6.5(c)	27

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<b>Employer NAME</b>	<b>Tradestyle</b>	<b>Address</b>	<b>Local</b>	<b>District</b>	<b>Bargaining Unit</b>	<b>IAM Members</b>
Boeing Co		ALGONA WA	751A, 751C, 751E, 751F	751	444	444
Boeing Co		AUBURN WA	751A, 751C, 751E, 751F	751	2010	2009
Boeing Co	QA Receiving GXO	2141 S. 211th St, Ste B, Des Moines, WA 98198	751A, 751C, 751E, 751F	751	3	3
Boeing Co		1500 East Avenue M, Edwards Afb, CA, 83550	751A, 751C, 751E, 751F	751	50	49
Boeing Co		3003 West Casino Road, Everett, WA, 98203	751A, 751C, 751E, 751F	751	16031	16011
Boeing Co	Warehouses	20403 68th Ave S, Kent, WA, 98032	751A, 751C, 751E, 751F	751	119	117
Boeing Co		P O Box 1487, Moses Lake, WA, 98837	751A, 751C, 751E, 751F	751	390	390
Boeing Co		12521 Harbour Reach Dr, Mukilteo, WA 98275	751A, 751C, 751E, 751F	751	32	32
Boeing Co	Frederickson FabDivision	18001 Canyon Road East, Puyallup, WA, 98373	751A, 751C, 751E, 751F	751	1243	1241
Boeing Co	Commercial A/C Group	1901 Oakesdale Ave., Sw, Renton, WA, 98055	751A, 751C, 751E, 751F	751	8281	8276
Boeing Co	Spares Dist Center	2201 S. 142nd St, SeaTac, WA 98168	751A, 751C, 751E, 751F	751	301	300
Boeing Co		7755 East Marginal Way S, Seattle, WA, 98708	751A, 751C, 751E, 751F	751	1779	1775
Boeing Co		TUKWILA WA (Has several work areas.)	751A, 751C, 751E, 751F	751	658	653
					31341	31300

**From:** [iamsurveyadmin](#)  
**To:** [DataInfoGroup](#)  
**Subject:** SRF-5  
**Date:** Monday, March 3, 2025 7:39:04 PM

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**Survey Start Date:** Monday, 03 March 2025 19:22:40

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## IAMAW SRF-5

### CONTRACT DETAILS

Submitted by:

Lori Dorsey

Submitted by Title:

*(i.e., Business Representative)*

Secretary

Email Address:

lorid@iam751.org

Employer Industry

Aerospace Manufacturing & Related Services (other than Airlines)

Effective Date



09/13/2024

Expiration / Amendable Date

09/07/2028

Sector

Private (Non-Government)

Statute

NLRA

Does the contract contain a provision for ...

Check-Off Dues                      Yes

Check-Off MNPL / MCPL      Yes

Check-Off Guide Dogs          Yes

Is this a ...

First Agreement                      No

Master Agreement                  No

Coordinated Bargaining Agreement No

Aerospace (Related)                Yes

Health Care (Related)              No

Service Contract Act (Related)    No

Products Manufactured / Services

Aircraft and Missile

Association (if applicable)

Not Answered

**IAMAW SRF-5**

**SITE DETAILS**

*If the contract covers more than one site, please provide data for sites individually.*

Employer

The Boeing Company

Tradestyle Operation / Division

Not Answered

Former employer name

*If applicable.*

Not Answered

Work Place Address

3003 W. Casino Rd

City

Everett

State / Province

WA

Zip Code

98204

Reported # of Barg Unit Employees at Site

33,387

Reported # of IAM Members in Unit at Site

TBD

Union Status

Dues Required / Agency Fee

Corporate Address (If different from Work Place Address)

Not Answered

Parent Company Name

Not Answered

Ultimate Parent Company Name

Not Answered

NAIC **[FOR IAM S.R. USE ONLY]**

*(To be completed by IAM S.R. Staff)*

Not Answered

District Lodge

751, 70, W24

Local Lodge

Not Answered

Territory / Territories

Western

Does this contract cover other site(s) not yet listed?

No

## **IAMAW SRF-5**

### **WAGE DETAILS**

Average Hourly Wage (\$)

*If the bargaining unit wages are annual salaried classifications, divide the annual by 52 weeks and then by 40 hours.*

\$36.91

Wage Memo

Not Answered

General Wage Increases and/or Lump Sum Payments

Please indicate if \$ or %. If no increase is negotiated, please enter "Zero"

	Effective Date	Category	Amount	Memo
First	09/13/2024	Bonus / Lump Sum (\$)	\$12,000	
Second	09/13/2024	General Wage Increase (%)	13%	
Third	09/12/2025	General Wage Increase (%)	9%	
Fouth	09/11/2026	General Wage Increase (%)	9%	
Fifth	09/10/2027	General Wage Increase (%)	7%	
Sixth				

Is there a COLA Clause?

Yes

If yes, what is the formula?

BLS Index

**IAMAW SRF-5**

**OCCUPATION DETAILS**

Occupation(s)

Air Transportation  
Skilled Trades - Manufacturing

**IAMAW SRF-5**

**HEALTH CARE / BENEFITS DETAILS**

Employee Premium Contribution

	Name	Date Rate Effective	Coverage Tier	Amount Type	Amount	Frequency	Memo
1	Health Plan	09/13/2024	Employee Only	Dollar (\$)	\$46.53	Bi-Weekly	

2	Health Plan	09/13/2024	Employee + 1	Dollar (\$)	\$93.06	Bi-Weekly
3	Health Plan	09/13/2024	Family	Dollar (\$)	\$139.59	Bi-Weekly
4						
5						
6						
7						
8						
9						
10						

**IAMAW SRF-5**

**EMPLOYEE SAVINGS DETAILS**

	Formula	Contribution Type
1	401(K) / Savings Plan 100% of the first 8%	Employer Matching Contribution
2	401(K) / Savings Plan Up to 30%	No Employer Contribution
3		

**IAMAW SRF-5**

**PENSION DETAILS**

Penson / Retirement

	Name	Date	Rate	Effective	Category	Amount	Type	Amount	Frequency	Memo
1										
2										
3										
4										
5										

**IAMAW SRF-5**

**OTHER UNIONS ON SITE**

Name(s)

IBEW  
IBT

Memo

Not Answered

**IAMAW SRF-5**

**CONTRACT LANGUAGE DETAILS**

Type(s) of Contract Language

Please select all that apply

Apprenticeship Program  
Language Limiting Plant Closing  
Language Limiting Subcontracting  
New Technology Language involving Union

Memo

Not Answered

**IAMAW SRF-5**

**ADDITIONAL COMMENTS AND/OR DETAILS**

Additional Comments and/or Details

Not Answered

**IAMAW SRF-5**

**UPLOAD CONTRACT DOCUMENT**

Please attached an electronic version of the Contract here.

Not Answered