

**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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10.6(c)(6) If the employee receives a lump sum, no other BCERP benefit shall be due with respect to the related Years of Service and

Credited Service, and such service shall thereafter be disregarded. Further, if the employee receives a voluntary lump sum during a layoff period and later returns to active status within six (6) years of layoff date, the employee will be considered as hired after January 3, 2014 in accordance with Section 10.9 below.

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

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

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

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

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

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

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

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

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

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

1. On an authorized leave of absence on January 2, 2014, and returns to active employment directly from that authorized leave of absence.
2. An active employee on January 2, 2014, goes on an authorized leave of absence, and returns to active employment directly from that authorized leave of absence.
3. On layoff on January 2, 2014, and returns to active employment within 6 years of the layoff date.
4. An active employee on January 2, 2014, is laid off, and returns to active employment within 6 years of layoff date.

The employee is considered rehired if:

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

#### **Section 10.10 Pension Accruals to Cease**

**10.10(a)** Pension accruals under The Boeing Company Employee Retirement Plan (BCERP) will cease effective 11:59 p.m. on October 31, 2016. After October 31, 2016, no further benefits will accrue under the BCERP. Benefits for current employees who are participants in the BCERP will be determined based on their pension accrual calculated as of October 31, 2016, and no new participants will be added to the BCERP after October 31, 2016. This cessation of pension accruals will not result in the loss of any pension benefits accrued through October

31, 2016. To the extent not vested pursuant to paragraph 10.10(c) below, BCERP participants shall be fully vested in their accrued benefit effective October 31, 2016, to the extent required by law, and service performed after October 31, 2016 will not be counted for any purpose except for eligibility for disability retirement benefits and as otherwise required by law. The benefits accrued as of October 31, 2016 will remain obligations of the BCERP and its related trust on behalf of existing BCERP participants and will be paid in accordance with the terms of the BCERP.

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

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

**10.10(d)** Effective October 1, 2016, for employees on the active payroll, or an authorized leave of absence of ninety (90) days or less on or after October 1, 2016 (including those who retire from the employ of the Company on October 1, 2016), the monthly amount of Retirement Income payable under Section 5.3 of the BCERP to an employee retiring on an Early Retirement Date will be equal to one hundred (100) percent of the Accrued Benefit earned to his or her Early Retirement Date for employees age 58 or older at such Early Retirement Date. No changes apply to the percentages payable at any earlier age or any other early retirement eligibility requirements.