

Boeing Company 401(k) Growth Over Time

The new company offer has the following 401(k) provisions:

- Automatic contribution (SCRC) of 4% of wages for all IAM workers;
- In addition, for workers who make contributions on their own, the company will match those employee contributions dollar for dollar, up to 8% of pay. (So if you put in 5%, they will put in 5%. If you put in 8%, they will put in 8%. If you put in 10%, they will put in 8%. If you contribute nothing, you will not receive a match.)
- The company also allows the AMPP bonus to be deferred to your 401(k). The AMPP now has a guaranteed payout of at least 4% per year. You may choose to deposit any portion of that money into your 401(k), growing your retirement nest egg, and saving money on income taxes.
- The company will also make a one-time, lump sum payment of \$5,000 into all member's accounts, upon ratification.

All in, if you contribute 8% of pay to receive the full company match, and choose to defer your 4% AMPP as well, your 401(k) will receive contributions of **24% of pay per year**. That will go a long way in achieving a financially secure retirement! Below are a few examples.*

** Note that many assumptions must be made in estimating retirement income. For this exercise, we assume investment earnings of 5% per year, and wage growth of 2.5% per year, every year after the GWIs of the current offer. We assume no promotions, leaves of absence, or loans taken out of the 401(k). We assume that the employee defers 8% of pay as well as the AMPP payment every year (at 4%) for 25 years, and that the company's contribution rates remain the same for the life of the agreement.*

Labor Grade 4 at Minimum Rate, after 25 Years

Estimated 401(k) Money in Retirement	
	Total Balance in Retirement
Total Company (including AMPP deposits)	\$594,166
Total Employee	\$294,583
Total Investment Earnings	\$711,035
Total	\$1,599,784

Annual Income Last Year Working (after 25 more years)	\$209,926
Annual 401(k) Income, Spending down 4% per year	\$63,991
Percent of Final Pay Replaced by the 401(k)	30.48%

Labor Grade 4 at Maximum Rate, after 25 Years

Estimated 401(k) Money in Retirement	Total Balance in Retirement
Total Company (including AMPP deposits)	\$632,536
Total Employee	\$313,768
Total Investment Earnings	\$829,718
Total	\$1,776,022

Annual Income Last Year Working (after 25 more years)	\$209,926
Annual 401(k) Income, Spending down 4% per year	\$71,041
Percent of Final Pay Replaced by the 401(k)	33.84%

Labor Grade 6 at Minimum Rate, after 25 Years

Estimated 401(k) Money in Retirement	Total Balance in Retirement
Total Company (including AMPP deposits)	\$629,354
Total Employee	\$312,177
Total Investment Earnings	\$754,659
Total	\$1,696,190

Annual Income Last Year Working (after 25 more years)	\$222,103
Annual 401(k) Income, Spending down 4% per year	\$67,848
Percent of Final Pay Replaced by the 401(k)	30.55%

Labor Grade 6 at Maximum Rate, after 25 Years

Estimated 401(k) Money in Retirement	Total Balance in Retirement
Total Company (including AMPP deposits)	\$668,897
Total Employee	\$331,949
Total Investment Earnings	\$877,103
Total	\$1,877,949

Annual Income Last Year Working (after 25 more years)	\$222,103
Annual 401(k) Income, Spending down 4% per year	\$75,118
Percent of Final Pay Replaced by the 401(k)	33.82%

Labor Grade 8 at Minimum Rate, after 25 Years

Estimated 401(k) Money in Retirement	
	Total Balance in Retirement
Total Company (including AMPP deposits)	\$670,744
Total Employee	\$332,872
Total Investment Earnings	\$817,027
Total	\$1,820,643

Annual Income Last Year Working (after 25 more years)	\$234,381
Annual 401(k) Income, Spending down 4% per year	\$72,826
Percent of Final Pay Replaced by the 401(k)	31.07%

Labor Grade 8 at Maximum Rate, after 25 Years

Estimated 401(k) Money in Retirement	
	Total Balance in Retirement
Total Company (including AMPP deposits)	\$705,651
Total Employee	\$350,326
Total Investment Earnings	\$925,001
Total	\$1,980,977

Annual Income Last Year Working (after 25 more years)	\$234,381
Annual 401(k) Income, Spending down 4% per year	\$79,239
Percent of Final Pay Replaced by the 401(k)	33.81%