

1 **LETTER OF UNDERSTANDING NO. 28**  
2 **RELATING TO WORK MOVEMENT**

3  
4 *(Professional and Technical Unit)*  
5

6 The Parties recognize that one of the foundations of a strong, competitive Company is the stability and  
7 core capability of its engineering and technical workforce. They also recognize the Company's history  
8 and commitment to the Puget Sound and the value of our engineering and technical workforce at all our  
9 locations, as well as the legitimate need for flexibility to successfully compete in a global market. The  
10 Parties understand that the cyclical nature of the Company's business often makes it difficult to predict  
11 and control necessary employment levels. The Company and the Union have therefore entered into the  
12 following Letter of Understanding to address their mutual interest in maintaining a stable workforce  
13 while providing the flexibility necessary to thrive in an increasingly competitive landscape.  
14

15 In furtherance of those mutual objectives, the Company agrees that active employees within the  
16 bargaining unit as of February 11, 2016 will not be laid off because of the movement of their current work  
17 assignment to a location outside of the bargaining unit or the current state in which it was performed,  
18 except as outlined in the limited circumstances described below. If the Company determines that  
19 relocation of current work assignments may be necessary, the company will provide the union with a list  
20 of employees by BEMS ID that may be impacted. The Company will exercise all reasonable diligence  
21 to offer impacted employees comparable positions within the bargaining unit in which they are currently  
22 employed and for which they are qualified. The Company will engage in a redeployment evaluation for  
23 a period of no less than one hundred and twenty (120) days before any impacted employee is laid off.  
24

25 If, after the redeployment period described above, the Company determines that an alternative position  
26 is not available, the Company will select the affected employee(s) to be laid off, and employees so  
27 selected will be offered an enhanced layoff benefit under the Layoff Benefit Plan. The enhanced layoff  
28 benefit will provide for two (2) weeks of pay for every one full year of service with the Company,  
29 up to a maximum of sixty (60) weeks, as well as six (6) months of continued medical and dental  
30 coverage. Impacted employees will be eligible for a minimum of twenty-six (26) weeks of severance.  
31 The enhanced severance payment shall be paid as a single lump sum payable within thirty (30) days  
32 following the later of the effective date of the layoff and the expiration of any legally required waiting  
33 period that is set out in a valid release and waiver received by the Company, which release and waiver  
34 will be provided by the Company prior to the effective date of layoff. Such enhanced severance payment  
35 and continued medical and dental coverage shall replace the severance payment and medical and dental  
36 coverage provided in Article 21, but will otherwise be subject to the terms of that Article. With the  
37 exception of the enhanced payment described above, the Company agrees that the provisions of Article  
38 8.5(f) shall not be interpreted to limit the Company's obligation under this Letter of Understanding.  
39

40 The Company may, in its sole discretion, elect to offer employees impacted by work movement the option  
41 to accelerate the redeployment period and voluntarily accept an enhanced layoff benefit package.  
42

43 Nothing in this Letter of Understanding shall be construed to restrict layoffs not occurring because of the  
44 movement of work, or to otherwise restrict the Company's discretion to manage its workforce, to determine  
45 the location of work or the occurrence and existence of any condition necessitating a workforce reduction,  
46 or the placement of future work, nor shall it require the Company to discontinue or relocate any work that is  
47 performed outside of the bargaining units currently. This Letter of Understanding shall not apply to employees  
48 who have moved to comparable positions and were then laid off for reasons other than work movement.  
49

50 Dated: February 11, 2016

51  
52 **Society of Professional Engineering**  
53 **Employees in Aerospace**

**The Boeing Company**

54  
55 By \_\_\_\_\_

By \_\_\_\_\_

56 Dated \_\_\_\_\_

Dated \_\_\_\_\_