

## Letter of Agreement On Contract Extension/Amendment

Based on SPEEA's proposal to enter into an agreement to extend the current Collective Bargaining Agreement due to the lack of a clear understanding of the future business at the Wichita facilities, the parties agree to the following modifications/amendments to the 2008 – 2011 collective bargaining agreement. The terms of this offer, if not ratified by midnight, September 30<sup>th</sup>, 2011, will become null and void.

### ARTICLE 6 – SICK LEAVE, BEREAVEMENT LEAVE & FINANCIAL SECURITY PLAN

**Section 6.7 Merger of the Boeing Company Voluntary Invest Plan (VIP) and the Boeing Company Financial Security Plan (FSP).** The Company and the Union have agreed to merge FSP account balances into the VIP and will be subject to the terms of the VIP thereafter. These changes will be in accordance with the LOU signed by the Union and Boeing.

**ARTICLE 7 – HOLIDAYS** The following holidays will be observed by the Company during the term of this Agreement:

<b>2011</b>		
<b>HOLIDAYS</b>	<b>DAY</b>	<b>DATE OF OBSERVATION</b>
Winter Break	Friday	December 23, 2011
Winter Break	Monday	December 26, 2011
Winter Break	Tuesday	December 27, 2011
Winter Break	Wednesday	December 28, 2011
Winter Break	Thursday	December 29, 2011
Winter Break	Friday	December 30, 2011

<b>2012</b>		
<b>HOLIDAYS</b>	<b>DAY</b>	<b>DATE OF OBSERVATION</b>
New Year's Day	Monday	January 2, 2012
Memorial Day	Monday	May 28, 2012
Independence Day	Wednesday	July 4, 2012
Labor Day	Monday	September 3, 2012
Thanksgiving Day	Thursday	November 22, 2012
Day following Thanksgiving	Friday	November 23, 2012
Winter Break	Monday	December 24, 2012
Winter Break	Tuesday	December 25, 2012
Winter Break	Wednesday	December 26, 2012
Winter Break	Thursday	December 27, 2012
Winter Break	Friday	December 28, 2012
Winter Break	Monday	December 31, 2012

**2013**

HOLIDAYS	DAY	DATE OF OBSERVATION
New Year's Day	Tuesday	January 1, 2013
Memorial Day	Monday	May 27, 2013
Independence Day	Thursday	July 4, 2013
Labor Day	Monday	September 2, 2013
Thanksgiving Day	Thursday	November 28, 2013
Day Following Thanksgiving	Friday	November 29, 2013

**Article 8 relating to Workforce Administration:** The parties agree to form a committee of not more than 3 Company and 3 representatives of the union to review Article 8, Workforce Administration with the mutual objectives to improving the retention and redeployment processes including but not limited to retention group makeup, distribution of retention ratings and adjustments for service and also including the subsequent layoff and recall procedures. This committee will function as a subcommittee to the JOC in LOU #8 and provide a recommendation within 90 days after the committee is established, to the JOC and Boeing Leadership.

**Article 11– Rates of Pay and Work Schedules**

**Section 11.1(b)** The base salary adjustment fund percentage for the 2012 and 2013 review periods shall be the greater of the fund percentage established for the Wichita non-SPEEA salaried population or 3.0%. Fund computation dates and increase effective dates will be determined by the Company.

Over this 24 months extension, a minimum of 0.5% will be guaranteed each 12 months for those employees on the active payroll and in the unit for the entire duration of this extension.

**Section 11.8** Salary Adjustment and Promotion Fund. The Company will provide an additional 0.5% fund in each year to be spent on either promotional adjustment or adjustments outside of the salary review.

**Article 13 relating to Deduction of Union Dues:**

**#1. Direct Deposit of Union Dues & Assessments:** The Company shall issue all union payments such as union dues via electronic funds transfer process only (Direct Deposit). The Union shall ensure the Company has been provided with a valid Bank Account and Routing number to set up the process. It will be the responsibility of the Union to submit all changes in Bank information to the Company immediately.

**#2. Electronic Distribution of all Reports etc. to the Union:** The Company shall issue all reports distributed to the Union electronically. Accounts will be established for a focal designated by the union. It will be the responsibility of the Union to submit all changes in focals to the Company.

**#3. Union Dues Collected from First Paycheck Only – No Collection of Back Dues:** The deduction of monthly dues and fees shall be made from the first scheduled pay of the month following the month in which a properly executed assignment is received by the Company.

Collection of any back dues or fees owed at the time of starting deductions for any employee or the collection of dues or fees missed due to the employee's earnings not being sufficient to cover the payment for a particular pay period, will not be subject to payroll deduction.

**#4. Dues Increase Notification Must Have At Least 30 Days Notice:** All Union dues and fee change letters must be submitted to the Company a minimum of thirty (30) days prior to the implementation date.

**#5. Dues Authorization Must Be Received By 3<sup>rd</sup> Monday to be Processed:** In order for the Company to process dues collection for the month, the authorization documentation must be received by the Company no later than the third Monday of the month preceding the deduction.

**Article 15 relating to Voluntary Investment Plan:**

- All employees covered by this Agreement may participate in The Boeing Company Voluntary Investment Plan (also known as the VIP) for the duration of this Agreement as set forth below and subject to the terms of the VIP Plan, as amended from time to time pursuant to the procedures set forth in the VIP plan document.
- Employees will be eligible to participate as, to the extent, and under the terms provided in the official VIP plan document. In the event of any conflict between the Collective Bargaining Agreement and the official VIP plan document, the official VIP plan document will prevail in every case.
- The Company, through the persons and process specified in the VIP plan document, reserves the right to amend the VIP (i) to satisfy all requirements of applicable law and regulations, including without limitation the Internal Revenue Code of 1986, the Employee Retirement Income Security Act of 1974 and the federal securities laws, all as amended from time to time; and (ii) to unilaterally alter, amend, and/or modify any or all terms of the VIP at its sole discretion without further discussion or negotiation with the Union. All terms and conditions of the VIP, as it may be so amended or modified will apply to employees covered by this Agreement. Notwithstanding the foregoing, the Company will not discontinue the VIP or change either the amount of the Company Contribution or the rate at which matching contributions are allocated to employees covered by this Agreement, during the term of this Agreement, without the concurrence of the Union.
- The Company shall not be required or obligated to provide any information to the Union that the Company determines to be proprietary or confidential. Any information or other financial information or data will be provided at the Company's discretion if the Company deems it necessary or appropriate for Union review. If the Company determines that such information should be released, the Union and/or its representatives may necessarily be required to execute a confidentiality agreement before such information is released. At the Union's request, the Company will provide the Union with copies of communications provided generally to VIP participants who are covered by this Agreement. Any information that is released to the Union and/or its representatives will be held confidential and shall not be utilized by the Union and/or its representatives for any purposes that do not directly relate to the VIP.
- Neither anything in Article 15 nor any issue involving employees' participation in or benefits under the VIP will be subject to the grievance and arbitration procedure of Article 3.

**Article 16 relating to Group Benefits Health Care Plans:** Effective January 1, 2013, the Company will implement the same health care plans, benefits and employee contributions for Wichita SPEEA-represented employees as is offered on that date to the Wichita non-SPEEA salaried population.

**Article 17 relating to Retirement Plan:** Effective January 1, 2012, increase the basic pension benefit to \$83 per month for all years of Credited Service for all eligible employees on the active payroll on or after January 1, 2012. In the event the Company's Pension Value Plan minimum pension benefit increases for Wichita non-SPEEA salaried employees beyond \$83, the basic pension benefit for eligible employees covered by this agreement will increase in the same amount and at the same time.

**Article 21 relating to Layoff Benefits, Waiver and Release:** The Company will require a release and waiver, in a form approved by the Company, from eligible employees before they receive a layoff benefit.

**Article 23 relating to Duration:** This Letter of Agreement extends the expiration date identified in Article 23 from until December 2<sup>nd</sup>, 2011 to December 2<sup>nd</sup>, 2013.

**Letter of Understanding #6 relating to Data Reports:** The Company will provide only that data to the Union which is listed in the memorandum from the Company to the Union, effective October 31, 2008 subject to such revisions in the future as may be made by mutual agreement of the parties. Nothing herein is intended to waive any right the Union may have to receive additional data. All information provided by the Company to the Union, whether written or electronic, shall be considered Boeing Proprietary and shall be maintained in locked cabinets when not in use. Information contained on computers shall be password protected with unique passwords for each user that must be changed at a minimum of every 6 months. Company information posted for access on the internet shall be posted on secure servers (HTTPS) and protected by user controlled passwords that must be changed at a minimum of every 6 months. Access to all information provided by the Company, whether written or electronic, shall be limited to the employees represented by this contract and their representatives.

**Letter of Understanding #7 relating to Reproduction of Contracts:** The parties agree that reproducing the labor agreement will not be necessary.

**Letter of Understanding #13 relating to Sharevalue Program:** Delete

**Letter of Understanding # 24 relating to Health and Insurance Plan Year Change:** Delete

**Letter of Understanding # 25 relating to Preferred Plus of Kansas CCP:** Delete

**Side Letter #1 relating to Extended Work Week Rate for Hours Worked in Excess of 144 Hours in a Budget Quarter:** Delete

**Side Letter # 2 relating to Long Term Disability, Open Enrollment:** Delete

**Side Letter #3 relating to Payout for Vacation Beyond the 2-Year Accumulation Maximum:** Delete

**Side Letter #4 relating to Voluntary Layoff:** The Company will require a release and waiver, in a form approved by the Company, from eligible employees before they receive a layoff benefit.

This Extension/Amendment may be extended by mutual agreement of the parties.

The Company

SPEEA-WEU

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Date: September 13, 2011

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Date: September 13, 2011