

# **COLLECTIVE BARGAINING AGREEMENT**

**Between**

**THE BOEING COMPANY**

**and the**

**SOCIETY OF PROFESSIONAL ENGINEERING EMPLOYEES IN  
AEROSPACE**

**SPEEA PILOT / INSTRUCTORS UNIT**

This Agreement is executed this May 30, 2013 by and between The Boeing Company (the Company) and the Society of Professional Engineering Employees in Aerospace, SPEEA Pilot / Instructor Unit (the Union). The Union is the bargaining agent for the collective bargaining unit described in Article 1.

The intent for this final agreement is a reflection of the parties' commitment to these shared values:

To maintain a respectful, cooperative relationship.

To work together to position the Company for continued competitive success in the marketplace.

To work towards resolving issues through a process marked by open communication and respect for each other's interests.

The Company and the Union agree as hereinafter set forth with respect to employees represented by the Union (the employees).

## ARTICLE 1 UNION RECOGNITION

**Section 1.1.** For purposes of collective bargaining with respect to rates of pay and other terms and conditions of employment, the Company recognizes the Union as the exclusive bargaining agent for the collective bargaining unit described as follows:

All pilots employed by Boeing in Instructor Pilot positions with flying duties and requiring a current FAA pilot certificate employed at the Longacres Training Center, located at 1301 S.W. 16th Street, Renton, Washington; excluding all other employees, confidential employees, guards, and supervisors within the meaning of the National Labor Relations Act (as amended).

As certified by the National Labor Relations Board on May 18, 2012 (Case 19-RC-071950), all full-time and regular part-time standards pilots, safety pilots, technical pilots, and simulator-only pilots/instructors employed by the Employer at or out of its Renton, Washington facilities; excluding pilots on Pilot Early Leave, BTE pilots, executive pilots, pilots located and working remotely outside the State of Washington, office clericals, guards and supervisors as defined in the Act.

## ARTICLE 2 MANAGEMENT RIGHTS

**Section 2.1** The terms and conditions of this Agreement are minimum and the Company shall be free to grant more favorable terms and conditions to any employee at its discretion.

**Section 2.2** The management of the Company and the direction of the workforce are vested exclusively in the Company subject to the terms of this Agreement. Without limitation, implied or otherwise, all matters not specifically and expressly covered or treated by the language of this Agreement may be administered by the Company in accordance with such policy or procedure as the Company from time to time may determine.

**Section 2.3** The Company retains the exclusive right to reorganize, transfer, contract or subcontract out, discontinue, or relocate any or all of the operations of the business, including, but not limited to, work being or scheduled to be performed by bargaining unit employees, which right shall not be subject to the grievance and arbitration procedure of this Agreement.

**Section 2.4** The Company retains the exclusive right to assign work customarily performed by bargaining unit employees to other Company pilots outside the bargaining unit covered by this Agreement, and to assign work customarily performed by such other Company pilots to bargaining unit employees. Such assignments shall be for the purpose of ensuring that the assigned pilots maintain proficiency, qualification, and up-to-date knowledge required by their respective job assignments or for the purpose of providing or receiving assistance during periods of workload imbalance.

## ARTICLE 3 WORKFORCE ADMINISTRATION

**Section 3.1 Seniority.** "Seniority" means an employee's number on the applicable seniority list. "Seniority List" means any of the five employee Seniority Lists described below.

LIST	JOB CLASSIFICATION
Seniority List #1	Instructor Pilots
Seniority List #2	Simulator-only Instructors
Seniority List #3	Standards Pilots
Seniority List #4	Safety Pilots
Seniority List #5	Technical Pilots

**3.1 (a)** The seniority of an Instructor Pilot (Seniority List #1) includes all time spent as an Instructor Pilot, and/or a Supervisor of Instructor Pilots on the active payroll of the Company, plus time on leave of absence granted for the purpose of serving in the Armed Forces of the United States. The seniority of employees in any other bargaining unit position (Seniority List 2 thru 5) includes all time spent as an employee in any position with the Company. Seniority numbers and corresponding positions on each of the five Seniority Lists shall be assigned in order of the employee's seniority date. Seniority dates (Seniority List #1) will be assigned to individuals as of the first day of their most recent employment as Instructor Pilots.

**3.1(b)** In the event two or more individuals have the same seniority date, they will be added to the Seniority List by order of the last four digits of their BEMS ID number. Individuals with higher numbers will be assigned the lowest seniority numbers. If two or more newly hired employee's with the same seniority date share identical last four digits of their BEMS ID numbers, placement on the Seniority List will be determined by drawing numbers.

**3.1(c)** Employees who are promoted from the bargaining unit to positions supervising bargaining unit employees shall retain seniority while they remain in that supervisory position but will not accumulate additional seniority.

**3.1(d)** The Company will maintain five current, updated Seniority Lists of all employee's covered by this Agreement. The updated lists will be supplied to the Union when requested but at least semi-annually.

**Section 3.2 Probationary Employment.** For the first 365 calendar days of employment, bargaining unit employees shall be considered as on probation and without seniority. However, if a probationary employee is laid off and rehired within a period of time not in excess of the time he or she had previously spent as a probationary employee, he or she will be credited with the time previously worked toward the completion of the probationary period. Upon the completion of the probationary period, the employee's seniority date will then be established as the original date of hire.

During such probationary period, probationary employees may be laid off or terminated or reassigned at the discretion of the Company. Such layoffs, terminations, or reassignments during the probationary period shall not be subject to the grievance and arbitration procedure. The Company shall provide notice to the Union as soon as any employee is being considered for layoff, termination, or reassignment.

**Section 3.3 Reduction in Force.** When a workforce reduction is determined by management to be necessary, management will provide the Union with the total number and the individual names of employees designated for layoff.

Reductions in force will be determined by seniority, within each respective seniority list, those with less seniority being laid off first. Notwithstanding that rule, the Company's Chief Pilot, Director of Flight Training – Operations, may determine, based on reasonable business considerations, that an individual who would be designated for layoff pursuant to the rule will be retained, and a more senior employee designated for layoff. The Company will advise the Union when and why such a determination has been made.

Laid off employees must keep the Company informed of his or her interest in returning to active employment by registering for recall consideration using a system determined and maintained by the Company.

**Section 3.4 Return to Active Employment.** If in the Company's sole discretion business conditions warrant the hiring of one or more bargaining unit members following a workforce reduction, the Company will use the following rules in recalling to employment bargaining unit members who were laid off. Laid off bargaining unit members will retain recall rights for (four) 4 years following the effective dates of their respective layoffs. Such an employee will lose recall rights if he or she has failed to comply with written instructions to provide periodic notification to the Company indicating a desire to return to employment. Notices of recall will normally be sent by certified mail. Recalls will be made in reverse order of layoff. The Company may bypass an individual otherwise in line for recall if, based on reasonable business

considerations, such individual does not possess the qualifications the Company deems necessary to accomplish the Company's current and future business. The Company will advise the Union when and why such a determination has been made.

## **ARTICLE 4 COMPENSATION**

### **Section 4.1. Pay Rates.**

**4.1(a) Instructor Pilots** – A base salary for each Instructor Pilot will be determined by the Salary Structure Table effective for each year of this agreement and the number of years as a Boeing on the effective date of each Salary Structure Table. For existing Instructor Pilots, the current Pilot Years will be incremented by 1 annually, in conjunction with the salary review exercise as long as they remain active and eligible for salary adjustment. All new Instructor Pilots who transfer in from another Boeing pilot position will have their pilot Years set at the number of years as a Boeing Pilot, and this will be incremented by 1 each year in conjunction with the salary review exercise as long as they remain active and eligible for salary adjustment. All newly hired Instructor Pilots will be paid at the Year 0 salary structure amount that is in effect at the time of hire.

**4.1(b) Standards Pilots, Safety Pilots, Technical Pilots and Simulator-Only Pilots/Instructors** -- The minimum salary for Standards Pilots, Safety Pilots, and Simulator Only Instructor/Pilots will be the BCA Puget Sound Salary Reference Table (SRT) minimum values as established by the Company.

**Section 4.2 Salary Review Funds.** For each year of the contract, the salary adjustment fund percentage will be the same as the general Salary Review fund percentage (excluding any targeted funds) for the BCA Puget Sound non-union non-management SJC population.

**Section 4.3 Salary Fund Distribution Process.** Employees are eligible to participate in the annual salary adjustment processes as long as they were hired prior to the previous November 1st and remain in the bargaining unit. The effective date of the salary adjustment will be aligned to the enterprise SJC Salary Review Process.

#### **4.3(a) Instructor Pilots**

**4.3(a)(1)** For each year of this agreement, a Salary Structure Table will be calculated based upon the previous year's table. Eligible Instructor Pilots will have their salaries adjusted based on classification and Pilot Years on that effective date.

**4.3(a)(1)i** For each combination of classification and Pilot Years, starting with Year 1, the increase in salary structure amount from one year to the next will be equal to the Salary Review Fund percentage, rounded to the nearest \$100.

**4.3(a)(1)ii** The Year 0 salary structure amount each year will be 98% of the Year 1 salary structure amount, rounded to the nearest \$100. Any new Instructor Pilot who hired in too late to be eligible for salary adjustment will have their salaries adjusted to the new Year Zero rate when the new structure becomes effective.

**4.3(a)(2)** If through transfers, an employee's salary is higher than the table amount for the appropriate combination of classification and Pilot Years, then a lump sum equal to the Salary Review Fund percentage will be given until the salary is no longer above the appropriate salary structure amount.

**4.3(a)(3) Salary Structure Table and Years for Instructor Pilots.** The 2013 Salary Structure Table is defined below. This table identifies the base salary for each job by number of years as a Boeing Instructor Pilot (L5S, L3S, L2S and L1F).

**2013 Salary Structure Table**

Years	L5S Instructor Pilot	L3S FAA	L2S Deputy	L1F Lead
0	\$123,500	\$130,800	\$132,100	\$141,300
1	\$126,000	\$133,500	\$134,800	\$144,200
2	\$128,600	\$136,300	\$137,500	\$147,200
3	\$131,200	\$139,100	\$140,300	\$150,100
4	\$133,800	\$141,900	\$143,100	\$153,000
5	\$136,400	\$144,600	\$145,800	\$156,100
6	\$139,000	\$147,300	\$148,800	\$159,100
7	\$141,600	\$150,000	\$151,600	\$162,100
8	\$144,300	\$152,800	\$154,400	\$165,100
9	\$146,800	\$155,600	\$157,100	\$168,100
10	\$149,400	\$158,400	\$159,900	\$171,100
11	\$152,000	\$161,100	\$162,600	\$174,000
12	\$154,600	\$163,900	\$165,400	\$177,000
13	\$157,200	\$166,700	\$168,200	\$180,000
14	\$159,800	\$169,500	\$171,000	\$182,900
15	\$162,400	\$172,200	\$173,800	\$185,900
16	\$164,900	\$175,000	\$176,700	\$188,900
17	\$167,600	\$177,600	\$179,300	\$192,000
18	\$170,200	\$180,300	\$182,200	\$194,900
19	\$172,800	\$183,100	\$185,000	\$197,900
20	\$175,400	\$185,900	\$187,900	\$201,000
21	\$177,900	\$188,600	\$190,700	\$203,900
22	\$180,300	\$191,000	\$193,300	\$206,600
23	\$182,700	\$193,500	\$195,900	\$209,300
24	\$185,000	\$196,000	\$198,500	\$212,000
25	\$187,400	\$198,500	\$201,000	\$214,700

**4.3(b) Standards Pilots, Safety Pilots, Technical Pilots and Simulator-Only Pilots/Instructors.**

**4.3(b)(1)** Annually, the Company will spend at least one half of one percent (0.5%) of the total salaries of the Standards Pilots, Safety Pilots, Technical Pilots and Simulator-Only Pilots/Instructors as of the computation date of the review period on either adjustments in salary accompanied by a change in classification (promotion); or adjustments in salary outside of the annual salary review (Out of Sequence Selective Adjustment) or any combination of the two. In

the event less than 0.5% is spent during the review period, the delta between the actual expenditure and 0.5% will be added to the next year's salary adjustment fund.

**4.3(b)(2)** The same annual salary adjustment process and tool used for the BCA Puget Sound non-union non-management SJC population will be used to determine individual salaries each year of this agreement. However, individual salary increases will be no less than one-third of the salary review fund percentage referenced in Article 4.2.

**4.3(b)(3)** The Company's Performance Management process will be followed.

**4.3(b)(4)** In the event an individual's pay is at or above the BCA Puget Sound SRT High Market value for that job and level, any potential increase determined during the annual salary adjustment process will be in the form of a lump sum.

**4.3(b)(5)** The Company will continue its current practice of paying bargaining unit employees with FAA TCE designations an additional \$450 per month in addition to the base wage rates provided within this agreement.

#### **Section 4.4 Changes in Job Classification**

##### **4.4(a) Instructor Pilots**

**4.4(a)(1)** Those who move to a higher paid classification will have their salaries increased to the Salary Structure Table value based on their new classification and Pilot Years.

**4.4(a)(2)** Those who move to a lower paid classification will have their salaries decreased to the Salary Structure Table value based on their new classification and Pilot Years.

**4.4(a)(3)** Instructor Pilots that move to a lower paid classification for reasons other than performance or employee choice will remain at their current salary until the salary table exceeds that value.

**4.4(b) Standard Pilots, Safety Pilots, Technical Pilots, and Simulator-Only Pilots/Instructors --** Salary changes, if any, upon change in job classification will be determined by management.

#### **Section 4.5 Employee Incentive Plan (EIP).**

**4.5(a)** Eligible employees covered by this Agreement may participate in The Boeing Company Employee Incentive Plan (EIP) for the duration of this Agreement as set forth below and subject to the terms of the EIP.

**4.5(b)** Employees will be eligible to participate in accordance with the governing provisions of the EIP as set forth in the official plan document. In the event of any conflict between this collective bargaining agreement and the official EIP plan document, the official EIP plan document will prevail in every case.

**4.5(c)** The Board of Directors of the Company reserves the right to amend, modify, or terminate the EIP in its sole discretion. All terms and conditions of the EIP, as it may be amended or modified, will apply.

**4.5(d)** The Company shall not be required or obligated to provide any information to the Union that the Company determines to be proprietary or confidential, including but not limited to information regarding cost, pricing, and/or other financial information or data. Any information regarding cost, pricing, and/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 so 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. 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 EIP.

**4.5(e)** Nothing in this collective bargaining agreement or employee participation in the EIP will be subject to the grievance and arbitration procedure of Article 9.

**Section 4.6 Pay Practices.** The Company will provide the same paid time at work and paid time away from work (e.g. holidays, vacation, sick leave, overtime etc.) and leave of absence provisions that are provided to the BCA Puget Sound non-union non-management SJC population, as they may change from time to time.

**Section 4.7 Paychecks.** For employees working in states where mandatory direct deposit is permitted by law, paychecks will be delivered via direct deposit on Thursday of every second week covering all wages, including overtime, earned through Thursday of the preceding week, except when other circumstances intervening beyond the Company's control make such practice impossible.

## **ARTICLE 5 HEALTH CARE AND INSURANCE**

### **Section 5.1 Health Care and Insurance Benefits for Active Employees.**

**5.1(a)** The Company will continue to provide through December 31, 2014 Instructor Pilots the same Health Care and Insurance (medical, dental, life, disability, accidental death and dismemberment) that were negotiated with SPEEA in 2008 and are provided to the Company's SPEEA-represented employees in the Puget Sound region.

**5.1(b)** Standards pilots, safety pilots, technical pilots, and simulator-only pilots/instructors shall continue to participate through December 31, 2014 in the Health Care and Insurance in which they were eligible to enroll for the 2013 plan year.

**5.1(c)** Beginning January 1, 2015 and for the term of this Agreement, the Company will provide all eligible bargaining unit employees with the Health Care and Insurance (medical, dental, life, disability, accidental death and dismemberment, and access to employee-paid supplemental life, supplemental accidental death and dismemberment and long-term disability) under the same terms, conditions and limitations described in the Summary Plan Description for BCA Puget Sound nonunion employees as may be amended from time to time.

### **Section 5.2 Cost of Health Care and Insurance for Employees on the Active Payroll – Effective Jan 1, 2015.**

**5.2(a) Insurance Benefits.** The Company will pay the full cost of the Life Insurance, Accidental Death and Dismemberment, and Short-term Disability and Basic Long Term Disability Plans for eligible employees. The Company will provide access to the BCA Puget Sound non-union salaried employee-paid Supplemental Life Plan, Supplemental Accidental Death and Dismemberment Plan, a ten percent supplemental Long Term Disability Plan benefit, and Health Care and Dependent Care Spending Account Plans.

**5.2(b) Health Care Benefits.** The Company will share the cost for medical and dental benefits for covered employees and their eligible dependents. Employee medical and dental plans and monthly contributions will be the same as required for BCA Puget Sound nonunion salaried employees, including contributions that may be required for not participating in annual health improvement activities. The plans and contributions may be amended from time to time.

### **Section 5.3 Retiree Medical for Employees who Retire.**

**5.3(a)** For Instructor Pilots who were hired or rehired prior to January 1, 2007 and who retire within the term of this agreement, the Company will provide for the period beginning with the

effective date of this agreement through December 31, 2014, such eligible retirees with medical benefits provided by the 2009 Agreement. The Company will provide for the foregoing eligible retirees who retire within the term of this agreement for the period beginning January 1, 2015 through the term of this agreement the Retiree Medical Plan as described in and subject to the terms, conditions and limitations described in the Summary Plan Description for BCA nonunion retirees in Puget Sound as may be amended from time to time. Instructor Pilots who were hired or rehired on or after January 1, 2007 are not eligible for the Retiree Medical Plan.

**5.3(b)** For standards pilots, safety pilots, technical pilots, and simulator-only Pilot/Instructors who were hired or rehired prior to January 1, 1999, were covered on or after May 18, 2012, and who retire within the term of this Agreement, the Company will provide for the period beginning with the effective date of this agreement through December 31, 2014, such eligible retirees medical benefits in which they were eligible to enroll for the 2013 plan year. The Company will provide for the foregoing eligible retirees who retire within the term of this agreement for the period beginning January 1, 2015 through the term of this agreement the Retiree Medical Plan under the same terms, conditions and limitations described in the Summary Plan Description for BCA nonunion retirees in Puget Sound as may be amended from time to time. Standards pilots, safety pilots, technical pilots, and simulator-only pilots/instructors who were hired or rehired on or after January 1, 1999 are not eligible for the Retiree Medical Plan.

**Section 5.4 Cost of the Retiree Medical Plan.** Company contributions will be made only for an eligible retired employee who retires during the term of this Agreement, provided the retiree meets the eligibility requirements of the Retiree Medical Plan and is retired from or is deferring receipt of benefit payments from The Boeing Company Employee Retirement Plan, and either authorizes deduction of the balance of plan rates from his or her retirement check or agrees to make timely self-payments for such coverage. Such Company contribution will continue for an eligible retiree or eligible spouse or same-gender domestic partner reduced by retiree's contributions required under 5.4(a) and 5.4(b) and the spouse or same-gender domestic partner contribution in 5.4(c), if any, until such eligible person attains 65 years of age or is earlier eligible for Medicare or until this Agreement expires, if earlier, and for a dependent child, until such dependent child is no longer an eligible dependent or earlier qualifies for Medicare, or until this Agreement expires, if earlier.

**5.4(a)** For employees hired or rehired prior to January 1, 1993, for Traditional Medical Plan coverage, retirees will contribute \$20 for retiree only, \$40 for a retiree and spouse or same-gender domestic partner, \$40 for a retiree and child(ren), or \$60 for a retiree and family. For all other plans, retirees will contribute \$10 for a retiree only, \$20 for a retiree and spouse or same-gender domestic partner, \$20 for a retiree and child(ren), or \$30 for a retiree and family. The Company will pay the cost of each plan in excess of the amount contributed by the retiree.

**5.4(b)** For standards pilots, safety pilots, technical pilots, and simulator-only Pilot/Instructors hired or rehired from January 1, 1993 through December 31, 1998 and for instructor pilots hired or rehired from January 1, 1993 through December 31, 2006, the Company contributions are limited to three and one-third percent of the cost of the Plan the retiree chooses per year of service for the duration of the Agreement. Those retirees pay the difference (the cost of the plan minus the Company contributions). However, they must make contributions not less than the amount specified in 5.4(a).

**5.4(c)** The retiree is required to contribute an additional \$100 each month to enroll a spouse or same-gender domestic partner in the Retiree Medical Plan if the spouse or same-gender domestic partner is eligible for medical coverage under another employer-sponsored plan as an active employee and waives such coverage.

**Section 5.5 Details and Method of Coverage.** The benefits summarized in the Health Care and Insurance Plans and the Retiree Medical Plan shall be procured by the Company under contracts and/or administrative agreements with insurance companies, health care contractors, or administrative agents which will be in the form customarily written by such carriers and administrative agents, and the Health Care and Insurance Plans and Retiree Medical Plan shall be subject to the terms and conditions of such contracts and/or administrative



agreements, consistent with the summary plan description for the Health Care and Insurance Plans or Retiree Medical Plan.

The failure of an insurance company, health care contractor, or administrative agent to provide any of the benefits for which it has contracted shall result in no liability to the Company, nor shall such failure be considered a breach by the Company of the obligations that it has undertaken by this Agreement. However, in the event of any such failure, the Company shall immediately evaluate the need to replace the services of such insurance company, health care contractor, or administrative agent.

**Section 5.6 Administration.** Health and Insurance Plans and the Retiree Medical Plan shall be administered by the insurance companies, health care contractors, or administrative agents with whom the Company enters into contractual relationships for the purpose of providing and/or administering the coverage contemplated by the Health and Insurance Plans or the Retiree Medical Plan and no question or issue arising under the administration of such Health and Insurance Plans or the Retiree Medical Plan or the contracts and/or administrative agreements identified therewith shall be subject to the grievance and arbitration procedures of Article 9 of this Agreement.

**Section 5.7 Federal or State Programs.** If during the term of this Agreement there is mandated by federal or state government a program that affords to employees and/or retirees covered by this Agreement similar benefits (such as but not limited to medical benefits and dental benefits) to those that are afforded by this Agreement, benefits afforded by this Agreement will be replaced by such federal or state program. The Company will comply with the provisions for the furnishing of such program to the extent required by law. No question or issue regarding the level of benefits under the state or Federal program will be subject to the grievance and arbitration procedures of Article 9 of this Agreement.

## **ARTICLE 6 SAVINGS**

### **Section 6.1 Voluntary Investment Plan**

**6.1(a)** 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. 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.

### **Section 6.2 Company Contributions**

**6.2(a)** Standards Pilots, Safety Pilots, Technical Pilots and Simulator-only Pilot/Instructors hired or rehired before January 1, 2009 and Instructor Pilots hired or rehired before January 1, 2010, shall be eligible for a Company matching contribution for each pay period equal to 75 percent of the first 8 percent of base pay the employee contributes to the VIP. Standards Pilots, Safety Pilots, Technical Pilots and Simulator-only Pilot/Instructors hired or rehired on or after January 1,

2009 and Instructor Pilots employees hired or rehired on or after January 1, 2010, shall be eligible for a Company matching contribution for each pay period equal to 100 percent of the first 4 percent of base pay the employee contributes to the VIP and 50 percent of the next 4 percent of base pay the employee contributes to the VIP. Employees will be 100 percent vested immediately in this Company matching contribution.

**6.2(b)** Standards Pilots, Safety Pilots, Technical Pilots and Simulator-only Pilot/Instructors hired or rehired on or after January 1, 2009 and Instructor Pilots employees hired or rehired on or after January 1, 2010, will be eligible for an additional Company contribution to the VIP for each pay period in an amount equal to a percent of the employee's eligible pay (defined as base pay, shift differential, and employee incentive pay) according to the schedule below. Employees will be 100 percent vested immediately in this Company contribution. Standards Pilots, Safety Pilots, Technical Pilots and Simulator-only Pilot/Instructors whose most recent hire or rehire date is before January 1, 2009 and Instructor Pilots employees whose most recent hire or rehire date is before January 1, 2010, are not eligible for this Company contribution.

Age at end of Year	Company Contributions
Under Age 40	3%
Age 40 to 49	4%
Age 50 or Older	5%

**Section 6.3 Definition of “Hired or Rehired” and “Most Recent Hire Date”.** For purposes of this section 6, “hired or rehired” means the employees most recent date of hire or rehire except as follows:

**6.3(a)** A rehire following a termination of employment due to layoff will not be treated as a rehire to the extent that the rehire occurs within 6 years of the layoff event,

**6.3(b)** A return to employment directly from an authorized period of absence, without incurring a termination of employment, will not be treated as a rehire,

**6.3(c)** A transfer of employment from a Boeing affiliate or subsidiary shall not be treated as a rehire

## **ARTICLE 7 PENSION**

**Section 7.1 Retirement Benefits.** Subject to the continuing approval of the Commissioner of Internal Revenue and of other applicable governmental authorities and to the provisions of this section 7, the Company will provide eligible instructor pilots, standards pilots, safety pilots, technical pilots, and simulator-only pilots/instructors benefits under Company retirement plans as described in this section 7.

**Section 7.2 Standards Pilots, Safety Pilots, Technical Pilots, and Simulator-Only Pilots/Instructors whose most recent hire date is before January 1, 2009.** With respect to standards pilots, safety pilots, technical pilots, and simulator-only pilots/instructors whose most recent hire date is before January 1, 2009, the Company will continue to provide retirement benefits under The Pension Value Plan for Employees of The Boeing Company (the PVP), subject to the terms and conditions thereof, through the date immediately preceding the effective date of this Agreement. Effective on the date of this Agreement, standards pilots, safety pilots, technical pilots, and simulator-only pilots/instructors who actively participated in the PVP as of the date immediate preceding the effective date of this Agreement shall cease to be eligible to participate in the PVP shall, instead, become eligible to participate in The Boeing Company Employee Retirement Plan (the BCERP), subject to the terms and conditions thereof. Effective as of the date of this Agreement, the Basic Benefit will be \$83.00 per month for employees described in this section 7.2.

**Section 7.3 Instructor Pilots whose most recent hire date before January 1, 2010.** Effective January 1, 2012, the BCERP Basic Benefit is \$83.00 per month with respect to Instructor Pilots whose most recent hire date is before January 1, 2010.

**Section 7.4 Increases to the BCERP Basic Benefit.** Beginning January 1, 2014, future increases to the PVP minimum benefit that are otherwise effective during the term of this Agreement shall also apply for purposes of determining the BCERP Basic Benefit for employees described in sections 7.2 and 7.3, with each such increase becoming effective on the same date on which the corresponding increase otherwise becomes effective under the PVP.

**Section 7.5 Employees Not Eligible for Participation in Company Retirement Plans.** Standards pilots, safety pilots, technical pilots, and simulator-only pilots/instructors hired or rehired on or after January 1, 2009 and Instructor Pilots hired or rehired on or after January 1, 2010 shall not be eligible to participate in any Company-sponsored defined benefit pension plan, including the PVP or BCERP.

**Section 7.6 Survivor Benefits.** Effective July 1, 2013, pension survivor benefits are extended to all same-sex domestic partners and same-sex spouses as defined under either state or Federal law, whichever defines the same sex person as a spouse.

**Section 7.7 Grievances as to the Plan.** Only questions concerning the amount of service under the applicable retirement plan that is used to calculate the amount of an employees retirement benefit thereunder and that an employee has accumulated by reason of employment on or after the effective date of the plan shall be subject to the grievance and arbitration procedure of Article 9.

**Section 7.8 Administration of the Plan.** The Company shall have the right to unilaterally make any changes to actuarial assumptions and funding methods, provided such changes are determined by the applicable retirement plan's enrolled actuary to be reasonable in the aggregate. The Company shall be entitled to unilaterally adopt such amendments to the applicable retirement plan as may be required to obtain any approval of the Commissioner of Internal Revenue and of other applicable governmental authorities.

**Section 7.9 Definition of "Hired or Rehired" and "Most Recent Hire Date".** For purposes of this section 7, "hired or rehired" means the employees most recent date of hire or rehire except as follows:

**7.9(a)** A rehire following a termination of employment due to layoff will not be treated as a rehire to the extent that the rehire occurs within 6 years of the layoff event,

**7.9(b)** A return to employment directly from an authorized period of absence, without incurring a termination of employment, will not be treated as a rehire,

**7.9(c)** A transfer of employment from a Boeing affiliate or subsidiary shall not be treated as a rehire.

## **ARTICLE 8 STRIKES AND LOCKOUTS**

**Section 8.1** Neither the Union (including its officers, agents, representatives, and members) nor any employee covered by this Agreement shall in any way, directly or indirectly, authorize, cause, assist, encourage, participate in, ratify, or condone any strike (whether it be an economic strike, sympathy strike, or otherwise), slowdown, walkout, boycott, picketing (including informational picketing), handbilling, or any other interference with the Company's operations, including any refusal to cross any other labor organization's or other party's picket line. Any employee who violates this article shall be subject to disciplinary action.

**Section 8.2** In addition to any other liability, remedy, or right provided by this Agreement or applicable law, should a violation of this article occur, the Union, within 24 hours of a request by the Company, shall:

**8.2(a)** Publicly disavow such action by the employees.

**8.2(b)** Advise the Company in writing that such action by the employees has not been called or sanctioned by the Union.

**Section 8.3** The Company agrees that there shall be no form of lockout during the term of this Agreement.

**Section 8.4** Any claim by either the Company or the Union that this article has been violated shall not be subject to the grievance and arbitration provisions of this Agreement, and either party shall have the right to submit such claim to the courts.

## **ARTICLE 9 GRIEVANCE AND ARBITRATION PROCEDURE**

**Section 9.1 Grievance and Arbitration Procedure.** Grievances arising between the Company and its employees subject to this Agreement, or between the Company and the Union, with respect to the interpretation or application of any of the terms of this Agreement, shall be settled according to the following procedure. The grievance procedures of this Agreement and the judicial and administrative remedies provided by law are the sole and exclusive means for settling any dispute between the employees and/or the Union and the Company dealing with the interpretation or application of terms of this Agreement.

### **Section 9.2 Employee Grievances**

**9.2 (a). Grievances on behalf of employees shall be handled as follows:**

**Step 1. Submission of Grievance to Supervisor.** The employee and, at his or her option, a Union Representative shall contact the employee's manager and attempt to effect a settlement of the grievance. Such notification shall be made within 10 workdays following the occurrence of the event giving rise to the grievance or following the discovery of such event if during the period between the dates of occurrence and discovery the event was unknown to the affected employee and the Union and could not have been discovered upon reasonable diligence.

**Step 2. Submission of Grievance to Company Representative.** If no settlement is reached, the Union Representative shall withdraw the grievance or immediately thereafter submit the grievance in writing to the designated Company Representative and attempt to effect a settlement.

**Step 3. Arbitration.** If no settlement is reached in Step 2, the Union Representative shall either withdraw the grievance or promptly request, in writing, that the matter be submitted to an arbiter.

**9.2(b)** Employees shall not be discharged or suspended without just cause. An employee shall have the right to appeal a layoff, discharge, suspension, or involuntary resignation by filing a written grievance through the Union, beginning at Step 2, with the designated Company Representative within ten (10) workdays after the date of such layoff, discharge, suspension, or involuntary resignation.

**Section 9.3 Union Versus Company and Company Versus Union.** Grievances that the Union may have against the Company, or the Company may have against the Union, shall be submitted in writing to the party's designated representative within ten (10) workdays following the occurrence of the event giving rise to the grievance or following the discovery of such event if during the period between the dates of occurrence and discovery the event was unknown to the grievant and could not have been discovered

upon reasonable diligence. If no settlement is reached, the grieving party shall either withdraw the grievance or request in writing that the matter be submitted to an arbiter.

**Section 9.4 Selection of Arbiter.** Contemporaneously with execution of this Agreement, the parties will agree upon a panel of two arbiters. Selection of an arbiter to hear a particular case shall be made from the panel on a rotating, alphabetical basis. Nothing in this article shall preclude the parties from mutually agreeing on an arbiter to hear and decide a particular case.

**Section 9.5 Arbitration – Rules of Procedure.** Arbitration proceedings shall be in accordance with the following:

**9.5 (a)** The arbiter shall hear and accept pertinent evidence submitted by both parties and shall be empowered to request such data as the arbiter deems pertinent to the grievance. The arbiter shall render a decision in writing to both parties within sixty (60) days (unless mutually extended) of the completion of the hearing.

**9.5 (b)** The arbiter shall be authorized to rule and issue a decision in writing on the issue presented for arbitration that shall be final and binding on both parties.

**9.5 (c)** The arbiter shall rule only on the basis of information presented in the hearing unless, in the arbiter's judgment, the hearing should be reopened to receive additional information from one or both parties.

**9.5(d)** Each party to the proceedings may call such witnesses as may be necessary in the order in which their testimony is to be heard. The arguments of the parties may be supported by oral comment and rebuttal. Either or both parties may submit written briefs within a time period mutually agreed upon. Such arguments of the parties, whether oral or written, shall be confined to and directed at the matters raised at the hearing.

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

**9.5(f)** The Company and the Union shall, by mutual consent, fix the amount of compensation to be paid for the services of the arbiter. The Union or the Company, whichever is ruled against by the arbiter, shall pay the compensation and expenses of the arbiter.

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

**Section 9.6 Binding Effect of Award.** All decisions arrived at under the provisions of this article by the representatives of the Company and the Union, or by the arbiter, shall be final and binding upon both parties and involved employees, provided that in arriving at such decisions neither of the parties nor the arbiter shall have the authority to alter this Agreement in whole or in part.

**Section 9.7 Time Limitation as to Back Pay.** Grievance claims regarding retroactive compensation shall be limited to thirty (30) calendar days prior to the written submission of the grievance to Company Representatives, provided, however, that this thirty (30)-day limitation may be waived by mutual consent of the parties. The limitation period will be extended to cover a period of time if during that period facts justifying the filing of a grievance were unknown to the affected employee and the Union and could not have been discovered upon reasonable diligence.

**Section 9.8 Extension of Time Limits by Agreement.** The time limits set forth in this article are recognized by the parties as being necessary for prompt resolution of grievances. Reasonable extensions of these time limits may be arranged by mutual written agreement. Grievances not presented, or presented and not pursued, within the specified or mutually extended time limits will be considered waived, and such failure shall constitute a bar to all future actions thereon.

**Section 9.9 Signing Grievance Does Not Concede Arbitrable Issue.** The signing of any grievance by any employee or representative of either the Company or the Union shall not be construed by either party

as a concession or agreement that the grievance is timely, constitutes an arbitrable issue, or is properly subject to the grievance procedure under the terms of this article.

## **ARTICLE 10 UNION SECURITY**

**Section 10.1 Union Membership.** All employees within the bargaining unit shall pay dues or an agency fee to the Union within thirty-one (31) days following the beginning of such employment, or within thirty-one (31) days following the execution of this Agreement, whichever is later, and shall thereafter maintain their dues or agency fee paying status in good standing during the life of this Agreement.

Employees required to maintain Union membership pursuant to this article may satisfy their obligation by periodically tendering to the Union an amount equal to the Union's regular and usual monthly dues.

**Section 10.2 Deduction of Union Dues.** The Company agrees to make monthly payroll deductions for Union dues upon receipt by the office designated by the Company of a voluntarily written assignment covering such deductions on a form mutually agreed to by the Union and the Company. Such assignment is to remain in effect until canceled by the employee so signing on a Company form or in any other written manner acceptable to the Company.

**Section 10.3 Union Dues Changes.** In the event the Union desires to change the amount of dues to be deducted, the Union will notify the Company in writing at least sixty (60) days prior to the change becoming effective through payroll deduction.

**Section 10.4 Indemnification.** The Union expressly agrees to indemnify the Company against any and all employee and governmental claims, demands, suits, or other forms of liability, including but not limited to, attorneys' fees and other costs of defense, that arise out of or by reason of action taken or not taken by the Company for the purposes of complying with this article. The Company agrees to tender promptly to the Union any such claim, demand, or suit.

**Section 10.5 Waiver of Claims.** Both the Company and the Union will use due diligence in administering and reviewing, respectively, the dues deduction system. In the event the Union discovers administrative errors in Company administration of the system, the Union will give the Company prompt and timely notice of same, whereupon the Company will endeavor to make reasonable administrative corrections consistent with applicable state and federal laws. Respecting Company administration of the system, the Union expressly waives any and all claims, demands, suits, or other forms of liability that may arise out of or by reason of good faith action taken or not taken by the Company for purposes of complying with this article.

## **ARTICLE 11 LAYOFF BENEFITS**

**Section 11.1 Establishment of Plan.** The Company will maintain a Layoff Benefit Plan to provide for lump sum or income continuation benefits as set forth in this Article.

**Section 11.2 Eligibility.** All bargaining unit employees who have at least one (1) year of Company service and who are involuntarily laid off from the Company (including such employees who accelerate their layoff dates and employees laid off because of declining an offer for less than equivalent employment as defined by Company policy) are eligible to receive the benefit described in 11.3; upon signing a general release of claims in a form approved by the Company, provided, however, the following employees shall not be eligible for the benefit: employees who volunteer for layoff; 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 11.3 Amount and Payment of Benefit.** An eligible employee's total lump sum or income continuation benefit shall equal one (1) week of pay based on the employee's base salary at the time 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:

**11.3(a)** Benefits will be paid as a lump sum following the effective date of layoff. Employees who elect this option will have recall rights under Article 3 canceled.

**11.3(a)(1)** 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 of the employee's total income continuation benefit; re-employment with the Company or any of its subsidiaries or affiliates; failure to accept a formal offer of recall from layoff within ten (10) workdays after it is extended or by such later date as may be stipulated by the Company; failure to report to work on the date designated by the Company; or change in the employee's employment status from layoff to resignation, dismissal, retirement, death, or leave of absence.

**11.3(a)(2)** Subject to continuation of the Plan, no employee shall be paid lump sum or income continuation benefits more than once during any three (3) year period; provided, however, if an employee is re-employed by the Company before payment of the employee's total income continuation benefit and is subsequently laid off in such three (3) year period under conditions which make the employee eligible for a benefit, any unused benefit will be payable to the employee under the procedures established by this Article.

**Section 11.4 Benefit Not Applicable for Other Purposes.** Periods for which an employee receives income continuation benefits shall not be considered as compensation or service under any employee benefit plan or program and shall not be counted toward Company service. Benefits under this Article may not be deferred into the Voluntary Investment Plan.

## **ARTICLE 12 WORK RULES**

### **Section 12.1 Definitions of Terms Used in This Article**

#### **12.1(a) CREW (Complement/Qualifications):**

**12.1(a)(1) AUGMENT CREW.** An Augment Crew shall consist of three (3) pilots, at least two qualified to occupy the Captain's control position and at least one qualified to occupy the Co-Pilots control position during takeoff and landing. Customer pilots who have completed Type Certification Evaluations and any subsequent mandatory Airplane Training and/or Evaluation may be considered as crew members, provided at least one member of the augment crew is a Boeing Instructor Pilot.

**12.1(a)(2) BASIC CREW.** A Basic Crew shall consist of two (2) pilots, one qualified to occupy the Captain's control position and one qualified to occupy the Co-Pilot's control position during takeoff and landing. Customer pilots who have completed Type Certification Evaluations and any subsequent mandatory Airplane Training and/or Evaluation will be considered as one of the previously noted pilot crew members

**12.1(a)(3) DOUBLE AUGMENT CREW.** A Double Augment Crew shall consist of four (4)

pilots, at least two qualified to occupy the Captain's control position and at least one qualified to occupy the Co-Pilot's control position, during takeoff and landing. Customer pilots who have completed Type Certification Evaluation and any subsequent mandatory Airplane Training and/or Evaluation will be considered as crew members, provided at least two Boeing Instructor Pilots or one Boeing Instructor Pilot and one fully qualified Customer crew; i.e. not in any type of training status, are members of the double augment crew. Any deviation to this crew complement must be approved by Flight Training management.

**12.1(b) DUTY TIME.** Duty time begins ninety (90) minutes prior to scheduled departure time, or when the Pilot reports for the flight at either Dispatch or Operations, whichever is earlier. Duty time ends thirty (30) minutes after the end of the final flight or surface deadhead of the duty period.

**12.1(c) FLIGHT TIME.** Flight time begins when the aircraft first moves for the purpose of flight or repositioning and ends when the aircraft comes to a stop, either at a destination or the point of origin.

**12.1(c)(1) DOMESTIC FLIGHT.** A flight between two points, both located in the Continental United States, Alaska, Canada, and/or Mexico.

**12.1(c)(2) INTERNATIONAL FLIGHT.** A flight between two points, at least one of which is not located in the Continental United States, Alaska, Canada, and/or Mexico.

**12.1(c)(3) SERIES OF FLIGHTS.** Two or more flights within one duty period.

**12.1(d) WORK DAY.** Any calendar day (midnight to midnight local time) during which a Pilot performs a required assignment. Time spent on layover of less than 48 hours or in travel to, from, or between assignments shall be considered work days.

**Section 12.2 Pilot's Authority.** Irrespective of the maximum scheduled flight time and/or duty time and/or crew complement, a Pilot has the authority to terminate any flight, or series of flights, or duty period, when, in his or her opinion, to continue such flight, series of flights, or duty period would cause safety to be compromised. In the event a Pilot exercises such authority, he or she will document in writing all pertinent data, including but not limited to, date, time, circumstances resulting in his or her decision along with the names of Boeing and airline personnel contacted and a brief summary of those conversations. The written record will be retained for submission to Flight Training management as soon as practical.

An Instructor Pilot who performs training or evaluation duties on Company or customer aircraft shall normally be designated Pilot-In-Command and shall have full authority and discretion to assign or limit duties within the flight deck crew complement. In circumstances where regulatory restrictions prohibit the Boeing Instructor Pilot from being officially designated as Pilot-In-Command, the Boeing Instructor Pilot retains full authority to make safety of flight determinations in accordance with the preceding paragraph. A Boeing Instructor Pilot, acting under this paragraph, shall occupy the Control Seat of his, or her, choice on each takeoff and landing, unless such Instructor Pilot elects not to occupy a Control Seat on a specific takeoff or landing.

**Section 12.3 Rostering.** Instructor Pilots shall normally be assigned flying, simulator, and other duties using a roster. Scheduled operators shall be requested to provide a roster of at least two (2) weeks' duration. Non-scheduled operators shall be requested to provide a roster of at least three (3) days' duration. If a change is required to an Instructor Pilot's roster, he or she shall be notified as far in advance as possible and a new roster will be provided if feasible.

**Section 12.4 Interruption of Crew Rest.** To allow for uninterrupted rest prior to commencing a flight assignment, a Pilot normally shall not be required to receive or acknowledge communications during a twelve (12)-hour period immediately prior to a scheduled report time for a flight. Communications about the postponement or cancellation of a report time or training assignment will not be deemed to interfere with required rest periods.

**Section 12.5 Applicability.** The maximum scheduled flight time and duty periods set forth below shall govern, except as provided in paragraph 2 of this Article, or in such instance as the Customer's maximum



scheduled flight time and maximum duty periods are more restrictive, in which case the maximums of the Customer shall govern.

**Section 12.6 Simulator Training.** No Instructor Pilot shall be scheduled for more than eight (8) hours combined briefing, Simulator Training, and debriefing in any one Simulator Training session. Subsequent to the end of debriefing of a Simulator Training session, a minimum of twelve (12) hours shall elapse before the beginning of the next scheduled activity.

Additionally:

- Earliest scheduled simulator time start is 0600. Briefing at 0500 or day prior.
- Latest scheduled simulator end time is 0200, excluding debriefing.
- Simulator Check rides for customers and instructors shall be scheduled no earlier than 0600 start time and no later than a 0000 end time excluding briefings.

**Section 12.7 Base Training.** No Instructor Pilot shall be scheduled for more than five (5) hours of flight deck duty during airplane base training, plus a combined total of three (3) hours briefing and debriefing. Flights where base training occurs shall be limited to 8 hours of flight time. Subsequent to the end of debriefing of an airplane base training flight, a minimum of twelve (12) hours shall elapse before the beginning of the next scheduled activity.

### **Section 12.8 Revenue Service Training (OE/IOE)/Delivery Flight/Ferry Flight**

**12.8(a) Maximum Scheduled Flight Time and Maximum Scheduled Duty Period.** No Pilot shall be scheduled for more than:

**12.8(a)(1) Basic Crew** – Eight (8) hours flying and sixteen (16) hours on duty, except, in the case of a flight, or series of flights with no more than two (2) scheduled landings during the duty period; then the maximum flying hours shall be increased to ten and one-half (10.5) hours, and the maximum scheduled on-duty time shall be thirteen (13) hours. No Pilot shall be required to accept more than three (3) consecutive days as a basic crew with duty periods exceeding twelve (12) hours without a day off.

**12.8(a)(2) Augment Crew** – Twelve (12) hours flying and eighteen (18) hours on duty, provided one (1) crew rest seat in First/Business Class is provided for exclusive use of the pilots. If the airplane has no First/Business Class seats installed, two side by side Economy Class seats will be provided. An enclosed Crew Rest Area with at least one horizontal sleeping surface may be used in lieu of seats. Deviation from this paragraph may occur with the concurrence of the senior Pilot in the augment crew.

**12.8(a)(3) Double Augment Crew** – Sixteen (16) hours flying and twenty (20) hours on duty provided two (2) crew rest seats in First/Business Class (minimum of 55 inches pitch and fully reclining) are provided for exclusive use of the pilots. In the event an enclosed Crew Rest Area with two (2) or more horizontal sleeping surfaces is provided for exclusive use of the pilots on the aircraft, flying time is increased to eighteen (18) hours and duty hours shall increase to twenty-one (21) hours, except in the case of an aircraft with an endurance greater than eighteen (18) hours; then the flying time is increased to the nonstop endurance of the aircraft, and duty time shall be two hours greater than the non-stop endurance of the aircraft.

**12.8(b) Maximum Actual Duty Period** – A Pilot's actual maximum duty period may exceed the scheduled duty period by up to two (2) hours when an operational delay(s), i.e. maintenance, weather, etc., is (are) encountered after reporting for the duty period.

**12.8(b)(1) Minimum Scheduled Rest Break** – Pilots shall be scheduled for the following crew rest periods (release from duty to reporting for duty):

Basic Crew scheduled for over eight (8) flying hours in one duty period – double the actual flying time.

All other scenarios:

- Duty Period of 8 hours to less than 12 hours – 12 hours
- Duty Period of 12 hours to less than 14 hours – 14 hours
- Duty Period of 14 hours to less than 16 hours – 16 hours
- Duty Period of 16 hours to less than 18 hours – 18 hours
- Duty Period of 18 hours or more – 24 hours

**12.8(b)(2) Minimum Actual Rest Break** – No ~~Instructor~~ Pilot shall receive a crew rest period (release from duty to reporting for any other scheduled activity) of less than twelve (12) hours. Longer rest periods will be required based on activities defined elsewhere in this article.

**Section 12.9 Seven (7) Day, Thirty (30) Day, and Annual Maximum Flight Hours.** No Pilot may be scheduled to depart on a flight when his or her actual flight time for the 7-day, 30-day, or 12-month period, as appropriate, added to the scheduled time of the proposed flight exceeds:

**12.9(a) Basic Crew**

- Domestic Flight – 30 hours in any consecutive seven (7) days.
- International Flight – 32 hours in any consecutive seven (7) days.

**12.9(b) Augment or Double Augment Crews**

- No limitation in any consecutive seven (7) days.

**12.9(c) All Crews**

- Domestic Flight – No more than 100 hours in any consecutive thirty (30) days.
- International Flight – No more than 120 hours in any consecutive thirty (30) days.
- 1,000 hours in any consecutive twelve (12) months.

**Section 12.10 Travel To, From, or Between Assignments (via air, surface, waterborne, or a combination thereof).** No Pilot shall be required to remain on duty more than twenty (20) hours from departure from his or her home or hotel, as appropriate, until arrival at his or her home or hotel, as appropriate.

**Section 12.11 Days Off.** Pilots will not normally be scheduled to work more than five (5) days in any seven (7)-day period, and shall not be scheduled to work more than ten (10) days in any fourteen (14)-day period, and shall not be scheduled in excess of six (6) consecutive days. After arrival at a travel location, if the elapsed time of the travel from the Pilot's domicile or last assignment, whichever is appropriate, is in excess of eight (8) hours, he or she shall be free of duty for twenty-four (24) hours.

## ARTICLE 13 SCHEDULING POLICIES

**Section 13.1 Assignment Preparation.** To allow scheduled time to prepare for training assignments, and to complete program-related tasks at the end of such an assignment, the following guidelines will be used to the maximum extent possible.

**13.1(a)** Prior to simulator training assignments at Longacres Training Campus, the following preparation days will be provided:

**13.1(a)(1)** Program Lead Instructor for class with six (6) duty periods or more, three (3) business days.\*

**13.1(a)(2)** All other instruction, one (1) business day.\*

\* While desired, preparation days may not necessarily immediately precede the first day of scheduled instruction.

**13.1(b)** Prior to travel assignments requiring simulator instruction, airplane instruction, or airplane line flying assistance, the following preparation days will be provided:

**13.1(b)(1)** Program Lead Instructor Pilots, five (5) days, at least three (3) days of which will be business days.\*

**13.1(b)(2)** All other Instructor Pilots, three (3) days, at least one (1) of which will be a business day.\*

\* While desired, preparation days may not necessarily immediately precede the day of departure.

To the extent possible, the Program Lead Instructor Pilot will be identified at least two (2) weeks prior to the assignment. Changes to any of the periods described above will be made only with the concurrence of the affected Instructor Pilot.

**13.1(c)** After return from a travel assignment, an Instructor Pilot will be provided the following days free of duty:

Travel Assignment Duration (domicile to domicile)	Consecutive Non-Holiday Weekdays Free of Duty (The first Saturday and the first Sunday after return from travel and all Boeing holidays during the span will be considered as days free of duty and not counted against the total of earned days.)
5 Days or less	NONE
6 – 11 days	ONE
12 – 17 days	TWO
18 to 23 days	THREE
24 to 29 days	FOUR
30 to 35 days	FIVE
36 or more	SIX

**Section 13.2 Travel Assignments.** To plan for the duration and number of travel assignments, the following criteria will be used:

**13.2(a) Thirty-Day Limit** – Normally, travel assignments will be limited to thirty (30) days, plus the required travel-only days from/to the Instructor Pilot’s residence (or within 75 miles of Seattle, whichever is shorter distance). Required travel-only days as used in this paragraph are days free of any duty with the Customer. An Instructor Pilot shall not be assigned before departure, or extended after departure, to a travel assignment in excess of thirty (30) days, plus the aforementioned required travel-only days, without his or her concurrence.

**13.2(b) Number of Travel Assignments in a Twelve (12)-Month Period-** All Instructor Pilots will normally be scheduled for no more than six thirty (30)-day training assignments, plus required travel-only days, within a consecutive twelve (12)-month period.

**13.2(c)** No Instructor Pilot will be assigned more than one hundred eighty (180) days of travel within a consecutive twelve (12)-month period unless the Chief Pilot, Flight Training – Airplane, determines no other Instructor Pilot is available for such assignment. Travel assignments that an Instructor Pilot volunteers for are excepted from the calculation of the one hundred eighty (180) days noted in this paragraph.

**13.2(d) Time Between Travel Assignments** – The minimum interval between the consecutive 30-day or longer travel assignments will be no less than 18 calendar days. This time will run concurrently with the compensatory time described in paragraph 1.(c) above.

**13.2(e)** Advance Notification of Travel Assignments – To allow adequate time to prepare for travel assignments, the Company shall designate Instructor Pilots for a travel assignment as far in advance of the departure date as possible. Instructor Pilots actually assigned to travel assignments shall be notified of the location, departure date, and duration in accordance with the following table:

Scheduled Duration of Travel Assignment	Minimum Advance Notification
1 to 3 days	24 hours
4 to 7 days	Four (4) calendar days
8 to 21 days	Five (5) calendar days
22 days or more	Seven (7) calendar days

**13.2(f)** Additional assignments may be made if Customer demands or staffing constraints so require. Customer requirements or staffing constraints may require unforeseen deviations to scheduling policies. Such deviations will be documented and such documentation will include the rationale for the deviation.

**Section 13.3 Local Availability.** To ensure adequate office staffing to meet Company and regulatory requirements, these guidelines will be followed:

**13.3(a)** Leads will be scheduled for training assignments only after all other Instructor Pilots are utilized, with the exception of the criterion referenced in paragraph 2.b.(1).

**Section 13.4 Family Separation.** In order to mitigate family hardships caused by long or repetitive international travel assignments, when such assignments are scheduled for forty two (42) days or longer, round-trip coach class airfare may be provided for a spouse, domestic partner, or dependent, at the discretion of the Vice President – Flight Services.

**Section 13.5 Holidays While On Travel.** To compensate bargaining unit employees for working on travel assignments during scheduled Company holidays, these rules will be followed:

**13.5(a) Remote Holiday (REMHOL).** A non Boeing standard holiday taken when an employee is on a customer location when a day is observed as a holiday and the employee cannot perform normal work at the customer location, another Boeing facility or home. Full time employee must record REMHOL in 8 hour increments regardless of base line work schedule.

**13.5(b) Alternate Holiday.** When Holiday coverage is needed due to workload or schedules, employees may, with management approval, work the holiday as a regular work day and designate a different day as the holiday. The alternate holiday designated must be taken within 90 calendar days of the employees return. Designating alternate holidays for holiday coverage requires agreement between the employee and manager.

**Section 13.6 Winter Break.** In order to equitably distribute travel and work assignments over the Company’s winter break, such assignments will first be made from volunteers, then from those bargaining unit employees who have never been so assigned, and then from those bargaining unit employees previously so assigned (working from most distant in time to most recent).

**Section 13.7 Joint Scheduling Committee**

**13.7(a)** The parties will establish a joint committee on scheduling policies. The committee will have two members appointed by the Union and two members appointed by the Company.

**13.7(b)** The committee will meet as frequently as necessary, but in no event less than quarterly, to assess adherence to the scheduling policies and to recommend corrective action where policies are not being uniformly followed.

**13.7(c)** The committee shall report to Union membership and Training management on a regular basis.

**13.7(d)** Recommendations on how to improve compliance with the scheduling policies or to modify or add to those policies will be provided to the Chief Pilot, Flight Training – Airplane for appropriate action.

### **Section 13.8 Airplane Instructor Pilot – Training, Qualification, and Designation.**

**13.8(a)** Instructor Pilot training (initial model qualification, subsequent model qualification, recurrent and proficiency training) will be conducted in accordance with Company Flight Training – Airplane, Pilot Training Program. The Company agrees to notify the Union in advance of any changes to the Company Flight Training – Airplane, Pilot Training Program and to consider any comments the Union may have regarding the changes.

**13.8(b)** Every effort will be made by Flight Training management to ensure an Instructor Pilot's Qualification Training and Pilot Instructor Training (PIT) is conducted without interruption from additional duty assignments or duties on other airplane models.

**13.8(c)** The Company shall make available a CD, or equivalent, video recording of all "mandatory" or "required" live classes or lectures. An Instructor Pilot who is unable to attend such live class or lecture, because he or she is on days off, paid leave, or other Company assignment, shall be permitted to check out the video recording in order to complete the required class/lecture at his or her leisure within a designated timeframe. After viewing the video recording, the Instructor Pilot shall sign a statement indicating his or her completion of the task.

## **ARTICLE 14 MISCELLANEOUS**

**Section 14.1 Physical Examinations.** The Company will pay for the FAA-required medical examinations (to include all lab work required to maintain an FAA medical certificate) for all bargaining unit members.

**Section 14.2 Medical Certifications.** An FAA medical certificate first-class is required for all Instructor Pilots. An FAA medical certificate second-class is required for all Technical, Safety, and Standards Pilots. Any bargaining unit employee assigned a statement of work for which the FAA, ICAO, NAA, or other applicable agency requires a first-class medical certificate or equivalent will be required to obtain and maintain the required medical certificate.

**14.2(a)** An employee whose FAA medical certificate is suspended or denied due to a medical condition that temporarily prohibits performance of the essential functions of the employee's job will be treated as having temporary medical restrictions for a period of time not to exceed 12 consecutive months. Such employee will be temporarily assigned to bargaining unit work that the employee is qualified and able to perform, if bargaining unit work is available.

**14.2(b)** For an employee who is assigned available bargaining unit work following the suspension or denial of a FAA medical certificate, if the employee's FAA medical certificate has not been restored after twelve (12) months have passed, then the Company will review the employee's case and determine whether the Company's interest is best served by the individual being placed on a medical leave of absence in accordance with Company policy or, at the employee's option, elect voluntary entry into the Company's reassignment process, or continuing work in the bargaining unit if such work is available and a reasonable prognosis exists that the individual will requalify for an appropriate medical certificate. This review by management will not be subject to the grievance and arbitration procedure of Article 9.

**14.2(c)** In the event that an employee's FAA medical certificate has been suspended or denied due to a medical condition that temporarily prohibits the performance of the essential functions of the job, the Company may in its discretion provide the employee with the assistance of Virtual Flight Surgeon, or a similar service to be determined at the Company's discretion. During such

period of suspension, the employee will make his or her best efforts to cooperate in lifting such FAA suspension. The employee will be required to provide the Company, at its request, with documentation of his or her efforts to reinstate the FAA medical certificate.

**Section 14.3 Uniforms and Equipment.** When the Company requires that uniforms be worn, the Company shall provide the uniforms, pay to have them cleaned, and replace them when normal wear and tear renders them inappropriate for continued use. The Company shall also provide each employee required to fly as part of their ordinary job duties with a flight bag, headset, and all other Company-required flight equipment.

**Section 14.4 Travel and Accommodation.** Travel shall be conducted and accommodations shall be arranged in accordance with current Company policy. When the suitability of travel arrangements or accommodations is of concern, the employee will, if time permits, obtain prior approval from the Chief Pilot, or their designee before making any changes thereto. The above notwithstanding, employees may not upgrade their flight or accommodations at the Company's expense without prior approval. Employees will inform their manager immediately if the location of their accommodations changes.

**Section 14.5 Drug- and Alcohol-Free Workplace Program.** The Company will administer its drug- and alcohol-free workplace program in accordance with Companywide procedure, as that procedure may be changed from time to time. The Company agrees to notify the Union in advance of any changes. Random testing will be performed in accordance with applicable Department of Transportation regulations.

**Section 14.6 Nondiscrimination.** All terms and conditions of employment included in this Agreement shall be administered and applied without regard to race, color, creed, national origin, religion, gender, sexual orientation, age, prior military service, or the presence of mental, physical, or sensory disabilities, except as permitted by law. Nothing herein is intended to require that any claim on the aforementioned grounds first be pursued through the grievance and arbitration process of this Agreement.

**Section 14.7 Training.** The Company will assign employees to training on additional airplane models when business requirements so warrant.

**Section 14.8 Separability.** Should any provision or provisions of this Agreement become unlawful by virtue of a declaration of any court of competent jurisdiction or by reason of any existing or subsequently enacted legislation, such action shall not invalidate the entire Agreement. Any provisions of this Agreement not declared or otherwise deemed invalid shall remain in full force and effect for the life of this Agreement

**Section 14.9 Supervisors and Chief Pilots.** Supervisors and Chief Pilots may perform the work customarily performed by bargaining unit employees within the Flight Services Organization.

**Section 14.10. Boeing Fitness Centers.** All Pilots shall receive access to all Puget Sound Fitness Centers at no cost to the employee.

**ARTICLE 15  
DURATION**

This Agreement shall become effective \_\_\_\_\_ and shall remain in full force and effect until the close of February 9, 2017, and shall be automatically renewed for consecutive periods of one (1) year thereafter. Either party shall notify the other in writing, at least 60 days and not more than 90 days prior to February 9 of any calendar year, beginning with 2017, of its desire to either (1) amend this Agreement or (2) terminate this Agreement as of a date stated in such notice to terminate, which date shall be subsequent to such February 9. If either a notice to amend or a notice to terminate is timely given, the parties agree to meet thereafter for the purpose of negotiating an amendment to this Agreement or a new Agreement.

Dated: \_\_\_\_\_

Richard Plunkett  
Dir Of Strategic Development  
SPEEA IFPTE Local 2001

Thomas A. Easley  
Director Labor Relations  
The Boeing Company

**LETTER OF UNDERSTANDING No. 1**  
**PILOT EARLY LEAVE**

The Company will maintain the Pilot Early Leave (PEL) program for the employees listed below under the terms and conditions set forth in the PEL program document dated December 22, 2008 except that the last paragraph of the program document shall not apply. Only the following bargaining unit employees are eligible for Pilot Early Leave:

NAME	BEMS ID	NAME	BEMS ID
Todd Abraham	206534	Philip Adrian	1806479
Douglas Allington	1788122	Howard Au	1135326
Marcus Ballou	433184	Brian Behrend	106506
Robert Botnick	1084136	Matthew Bouzek	1624287
Joseph Bracken	1702822	James Brocksmith	2208651
Richard Brown	1891218	Gregory Bulkley	2174768
Donald Canova	1675553	Brian Carlisle	1627799
Jeffrey Chapman	1877615	Charles Christenson	1593409
Lisa Clark	1747733	Michael Coker	257802
Matthew Coleman	1842367	Jeffrey Cotton	1702433
Zekerya Demir	1528287	Richard Denton	1852921
William Dickey	680255	Kathleen Dubois	2106630
Jonathan Ellis	1134042	Christopher Escola	2131342
Mark Forkner	2179325	Ted Grady	1671308
David Goodwill	1641064	Brian Hansen	1722752
Thomas Griffin	1747297	Robert Howe	2174762
Mark Hargrove	397005	Efren Jamir	1890171
William Hunt	4958	Bradley Johns	1830418
Stephen Jankelson	1671179	David Lilly	1452860
Gregory Laxton	1719342	Bechara Mallouk	1562844
Lance Lindsley	1648520	Anthony Nogales	1722477
William Nelson	1025540	Kennedy Panton	1812883
Brian Pakkala	2123437	Donald Pingrey	1013390
Ronald Peters	1640113	William Reed	1874072
Gregg Pointon	1695265	Thomas Schulter	1142941
Wayne Ridenour	206966	Theodore Shropshire	215009
Thad Shelton	2174594	William Smith	1633924
Jon Sites	1788118	Diego Wendt	1850639
Ian Sullivan	1814482	David Whitacre	1748603
Harry Westcott	1895776	James Wilkerson	1076726
Graham Whitehouse	1637557	William A McKenzie	148389
David Yingling	1521725		

Employees hired into the bargaining unit on or after the effective date of this Agreement (February 10, 2013) will not be eligible for Pilot Early Leave.

Richard Plunkett  
Dir Of Strategic Development  
SPEEA IFPTE Local 2001

Thomas A. Easley  
Director Labor Relations  
The Boeing Company



**LETTER OF UNDERSTANDING No. 2**  
**FLIGHT ASSIGNMENTS OUTSIDE OF THE BARGAINING UNIT**

The Parties agree that during any period of temporary assignment working for the Boeing Company outside of the work assignment will be governed by the applicable work rules of the organization to which the individual is temporarily assigned.

Richard Plunkett  
Dir Of Strategic Development  
SPEEA IFPTE Local 2001

Thomas A. Easley  
Director Labor Relations  
The Boeing Company

**LETTER OF UNDERSTANDING No. 3  
RELATING TO DATA REPORTS**

The company will provide data feeds to the union in the same format as the SPEEA Puget Sound bargaining unit.

Richard Plunkett  
Dir Of Strategic Development  
SPEEA IFPTE Local 2001

Thomas A. Easley  
Director Labor Relations  
The Boeing Company

**LETTER OF UNDERSTANDING No. 4**  
**PROGRAM DEVIATION – PILOT SEPARATION ALLOWANCE**

The Boeing Company generally provides allowances which are calculated as a percentage of pay and applicable to a continuous foreign travel periods of at least 30 days. The percentage of pay is 15% for international travel. In addition, the plan provides for specific hardship factors in certain countries which is awarded over and above the 15%, provided that a minimum of 10 continuous days are spent in the hardship location.

Because of airline customer requirements Instructor Pilots of BCA will experience a number of separate trips during the year. The Company plan applies to the Training Pilots with the following exceptions:

- The counting of days starts on the day of departure and ends on the day of return.
- Basic allowance is effective at 30 consecutive days.
- Gaps of 5 days or less will not affect the consecutive day count for purposes of the 30 day qualifier.
- Any cumulative travel exceeding 45 days in a calendar year will be paid as a Pilot Separation Allowance.

Richard Plunkett  
Dir Of Strategic Development  
SPEEA IFPTE Local 2001

Thomas A. Easley  
Director Labor Relations  
The Boeing Company