

LETTER OF UNDERSTANDING

Between SPEEA (WTPU and WEU) AND SPIRIT AEROSYSTEMS, INC.

Regarding The Spirit Frozen Pension Plan

April 16, 2021

Regarding The Spirit Frozen Pension Plan April 16, 2021 WHEREAS, Spirit AeroSystems, Inc. ("Spirit" or "the Company") and SPEEA seek to clarify Article 16 and Attachment A of both SPEEA Collective Bargaining Agreements ("CBA's").

NOW THEREFORE, the parties agree as follows:

Subject to approval by the Spirit Board of Directors, SPEEA-WTPU and WEU represented employees with an accrued pension benefit in the "Frozen Pension Plan" (the Spirit AeroSystems Holdings, Inc. Pension Value Plan) will have the option to elect to receive their frozen pension benefit value as a lump sum. This may be accomplished (at Spirit's option and in such manner as is authorized by the Spirit Board of Directors) by spinning off the accrued pension benefits of the SPEEA-WTPU and SPEEA-WEU represented employees from the Frozen Pension Plan to a separate pension plan that will be terminated, thereby allowing the SPEEA-WTPU and SPEEA-WEU represented participants to receive a lump sum distribution (if elected) without terminating employment. All participants declining the lump sum option shall receive an immediate or deferred annuity from a life insurance company (or companies) selected by the applicable fiduciary(ies) of the terminated plan. This LOU eliminates the option to have individuals keep their pension with Spirit and will affect all WEU and WTPU "Day 1" employees with a former Boeing pension that is reflected in Spirit Company records as having been transferred from Boeing to Spirit. The entitlement of SPEEA-WTPU and SPEEA-WEU represented participants will be to receive the full value of (but no more than the full value of) their accrued benefits as calculated under the terms of the Frozen Pension Plan, whether elected in the form of a lump sum payment, an immediate annuity under a contract issued by an insurer, or a deferred annuity under a contract issued by an insurer.

If the lump sum is elected, the lump sum will be computed as the greater of (1) the present value of the Employee's Accrued Benefit, or (2), if applicable, the present value of the immediate single life annuity payable at an Early, Normal or Late Retirement Date, whichever Retirement Date applies to the employee at the distribution date (i.e., early retirement subsidies will be included if the employee is eligible to commence early retirement benefits as of the distribution date), in each case as applicable to the benefit payable to a Surviving Spouse or Alternate Payee when so payable. The Lump Sum shall be based on the annuity it replaces and shall be determined using the interest rate and mortality assumptions that are applicable under Internal Revenue Code Section 417(e)(3) as of the distribution date or as of December 1, 2021 if the distribution date is later than December 2021, whichever produces the larger lump sum benefit, as determined and calculated by the independent actuaries engaged by Spirit in connection with the determination of such lump sums. Currently, those assumptions, as applied by the Frozen Pension Plan for distributions occurring during the 2021 plan year, are the November 2020 IRC 417(e) Segment rates (0.53 for segment 1, 2.31 for Segment 2 and 3.09 for segment 3) and the 2021 unisex mortality tables found in IRS Notice 2019-67. It is expected that individuals electing the lump sum option will have the opportunity to roll it over into their account within the Spirit

AeroSystems Holdings, Inc. Retirement and Savings Plan (RSP). Individuals will also have the opportunity to roll the lump sum value of their pension into a Traditional IRA (or Roth IRA, subject to payment of applicable taxes) of their choosing outside of Spirit or elect to receive it in cash. If the cash election is chosen, required federal and state tax withholding applicable to "eligible rollover distributions" shall occur, including mandatory withholding of federal income taxes at the rate of 20%.

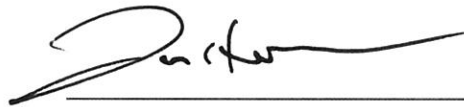
If the lump sum option is not elected all remaining participants shall choose an immediate or deferred annuity from a Group Annuity Contract issued by a third-party insurer. If a participant fails to choose either a lump sum option, an immediate annuity, or a deferred annuity, the participant will be deemed to have chosen a deferred annuity. Spirit shall have the sole authority and, except to the extent delegated to another named fiduciary, the fiduciary obligation to determine the most appropriate insurance company (or companies) to issue the Group Annuity Contract (or contracts) and to negotiate the terms and conditions of such contract(s), including, without limitation, the premium payable for such contract(s). The annuity options available under the group annuity contract(s) shall mirror the current frozen pension annuity options that would have been available to an employee if they were to have terminated their employment and commenced their frozen pension. The life insurance company may, but is not required to offer additional annuity options, such as annuities with cost-of-living adjustments, deferred annuities and additional period-certain options.

Spirit will provide election materials, a description of annuity options and additional details and information regarding payment elections and annuity options to SPEEA upon reasonable request.

Spirit will share the Group Annuity Contract(s) with SPEEA as soon as reasonably practicable after it receives regulatory approvals and the contract language has been negotiated and agreed to by the applicable insurer.



SPEEA
Ryan Rule
SPEEA President



Jay Hohl
Senior Director, Human Resources
Spirit Areosystems, Inc.