



Voluntary Layoff Program

Frequently Asked Questions (FAQ) for Employees

Description and Background of Voluntary Layoff Program

Q: What is the voluntary layoff program?

A: The voluntary layoff program allows eligible U.S. domestic non-executive employees of The Boeing Company ("Boeing") and Boeing's subsidiaries that participate in the Plan (collectively, the "Company") to volunteer for layoff with benefits during a surplus condition. Layoff benefits are provided under The Boeing Company voluntary Layoff Benefits Plan (the "VLBP") for eligible non-union employees, and under The Boeing Company Layoff Benefits Plan (the "LBP") for eligible union employees. Collectively, the VLBP and LBP are referred to herein as the "Plans."

The following Boeing subsidiaries in the U.S. are eligible to participate in the Plans:

Boeing Distribution, Inc. (legacy Aviall)

Boeing Digital Solutions, Inc. (legacy Jeppesen)

Q: When does Boeing use the voluntary layoff program?

A: The voluntary layoff program is used only in situations where it makes business sense as determined and approved by business unit leaders and enterprise functional leaders.

Q: What is the objective of the voluntary layoff program?

A: The voluntary layoff program is designed to balance Boeing's need to manage employment levels with the need to retain the critical knowledge, skills, and abilities required to perform our current and future work. Boeing is committed to doing all that it can to assist employees affected by surplus conditions and the

voluntary layoff program is being provided only in areas of the Company where it supports the business plan.

Q: What will we do to make sure the people we need to retain don't leave by participating in the voluntary layoff program?

A: While eligible employees may apply for a voluntary layoff, Boeing retains the right to deny an employee's request to volunteer based on criteria set forth in the Plans and reasonable business criteria applicable to the program. For example, individuals with certain critical skills or knowledge, certain security clearances, may be denied. In addition, eligible volunteers may be denied if the program's capacity is exceeded.

Q: What is the VLO schedule?

A: The following dates are key dates for employees:

April 27	VLO Registration Opens
May 4	VLO Registration Closes
May 14	Formal Notification Sent to Employees
June 5	Last Day on Payroll
June 28	Last Day to Sign Release and Waiver
July 5	Last Day to Revoke Release and Waiver

Eligibility for the Voluntary Layoff Program

Q: What are the employee eligibility requirements for the voluntary layoff program?

A: To be eligible for the voluntary layoff program, an employee must meet the eligibility requirements as provided in the applicable Plan document and related Summary Plan Description ("SPD"). Briefly, an employee must:

1. Be a non-executive domestic employee of the Company on U.S. payroll (excludes internationally local hired employees and U.S. employees on an international assignment)

2. Be in an identified surplus non-executive skill group that has been declared as eligible for the voluntary layoff program.
3. Have at least one (1) full year of Company service at the time of the declared surplus.
4. Must not be program-critical, a key subject matter expert, or possess a security clearance necessary for business purposes.
5. Must have an adequately trained backfill who is capable of performing their job responsibilities or successfully complete a transition plan (as determined by their leadership team)
6. As of April 1, 2020, not have submitted a termination request in Workday (for any reason), or submitted the paperwork necessary to commence pension benefits under a Company-sponsored defined benefit pension plan.
7. If on a leave of absence, have been cleared to return to work before the layoff date.
8. Timely sign, return, and not revoke the release and waiver agreement, which is provided by the Company to employees approved for participation in the voluntary layoff program.
9. Satisfy the additional eligibility conditions as stated in the applicable SPD as specified by the Company and the VLO Steering Team. Union employees are also subject to the requirements of their applicable collective bargaining and other agreements.

Q: If I am on an approved leave of absence, may I still be invited to apply for the voluntary layoff program if I meet all of the eligibility criteria?

A: Yes. Invited employees on a LOA can apply for the voluntary layoff program if the following conditions are met:

1. Received clearance to return to work prior to the layoff date.
2. Submitted a signed and returned release and waiver agreement by the required due date that is given in the agreement.
3. Leave of absence does not exceed the maximum duration set forth in the [Leaves of Absence Policy handbook](#).

Employees on LOA should contact Worklife with specific questions related to the impacts a voluntary layoff can have on their benefits.

Q: Once I have applied after receiving an invitation, what criteria will be used to determine whether I am accepted for the voluntary layoff program?

A: The functional skills management teams will select eligible employees until the number of authorized voluntary layoffs is reached. If too many employees in a particular job classification volunteer, selections will be based on criteria that include business needs and years of company service (except as may be otherwise required by an applicable collective bargaining or other agreement). In addition, employees who receive an invitation may be determined ineligible if they possess skills, knowledge, or security clearances deemed necessary for the business.

Q: Can employees who participate in the voluntary layoff program retain their First Rehire Consideration rights?

A: No. Eligible employees that are approved to participate in the voluntary layoff program forfeit their first consideration rehire or recall rights. Voluntary layoffs are intended to be permanent separations from the Company.

Q: Are employees who participate in the voluntary layoff program allowed to accelerate their layoff?

A: No. Employees who are accepted for the voluntary layoff program will not be allowed to accelerate the Company identified layoff date. Employees who elect to terminate employment sooner than their specific layoff date will be considered to have voluntarily terminated employment and will not be eligible for layoff benefits.

Q: Can a laid off employee apply for an advertised job or a contractor position with the Company?

A: Terminated employees may apply for open employee or contractor positions at the Company, but in connection with a voluntary layoff, all first consideration rehire or

recall rights are forfeited. In addition, terminated employees must be separated from the Company for a minimum period of time before they can be reengaged (typically, at least 60 days). Please note that if an employee who received layoff benefits is reengaged by the Company, the employee may also be required to repay a portion of the layoff benefit amount (depending on the length of time that passed between layoff and reengagement).

The Voluntary Layoff Program Process

Q: What is the process for participating in the voluntary layoff program?

A: The process is as follows:

1. A business unit/program identifies the need to reduce employment levels due to a declared surplus.
2. The business unit/program works with an enterprise functional leader to evaluate the options to reduce employment levels within those declared surpluses.
3. Select employees in certain skill populations that have a declared surplus approved by the voluntary Layoff Steering Team will receive an invitation to apply for the voluntary layoff program.
4. After receiving an invitation to apply for the voluntary layoff program, an invited employee may submit a registration of interest by the specified due date in the invitation through Worklife, and their request is approved or denied based on eligibility and selection criteria.
5. Approved voluntary layoff requests may require a transition plan be completed prior to the employee's layoff date.

Q: Will employees accepted into the voluntary layoff program still receive a 60-day notice?

A. No, a 60-day WARN notice is not required for the voluntary layoff program.

Q. Can an employee volunteer for the voluntary layoff program and change their mind before the actual layoff date?

A: Upon being notified of acceptance into the voluntary layoff program, requests to withdraw after that date will be considered on a strict exception-basis only and will require the VLO Steering Team's approval.

Q. What is the last working day if a voluntary layoff is approved and a layoff date is provided?

A: The last working day is the layoff date, and the employee is expected to report to work that day.

Voluntary Layoff Program Knowledge Transfer

Q: What is the knowledge transfer component of the voluntary layoff program?

A: Orderly knowledge transfer is a key part of the voluntary layoff program process and an eligibility requirement to receive layoff benefits under the Plans. To be considered for voluntary layoff, employees must be able to share their job knowledge, skills and abilities with one or more qualified persons.

Q: How does Boeing ensure that the transition component of the voluntary layoff program works as intended?

A: The Intellectual Capital Management / Knowledge Management team has simplified the Knowledge Transfer / Transition process and implemented a new KTP tool and supporting resources such as a new Knowledge Profiler. Additional information can be found in the Knowledge Transition Plan knowledge article (KB0022581).

Voluntary Layoff Program – Layoff Benefits

Q: What layoff benefits will employees receive if voluntarily laid off?

A: Employees who are voluntarily laid off and sign, and do not revoke, the Release and Waiver agreement will receive:

1. Lump-sum payment equal to one week of pay for every one year of completed Company service, up to a specified maximum number of years of service (typically, 26 years, although certain collective bargaining agreements may stipulate a lower number).
2. If the employee elects to continue health plan coverage under COBRA, except as otherwise provided by an applicable collective bargaining agreement, subsidized COBRA medical and dental coverage (at active contribution rates) is offered for a specified period following the layoff date (typically, three months, although certain collective bargaining agreements may stipulate a different period). After the subsidized period ends, the employee may remain on COBRA for the remaining COBRA continuation coverage period at a rate of 102% of the total cost of coverage. For information about COBRA rates, please contact Worklife at 866-473-2016 and say "health and insurance" at the prompt. Deaf or hard-of-hearing employees are encouraged to use the relay service offered by their phone carrier.

In addition, employees facing layoff may have access to other resources and benefits, including those from other Boeing benefit plans, as applicable. Employees should go to the Leaving Boeing page in Worklife for information on their eligibility for other available layoff benefits.

Voluntary Layoff Program's Impact on Retirement Benefits

Q: I have elected to commence my Boeing pension benefits on May 1 or June 1, 2020. Can I cancel my pension election so that I can apply for the voluntary layoff program (if eligible)?

A: The answer depends on whether you submitted the required paperwork to commence your pension benefits prior to the April 2 announcement about the voluntary layoff program:

1. If you submitted the required pension paperwork on or before April 1, you will

not be eligible to participate in the voluntary layoff program.

2. If you did *not* submit the required pension paperwork on or before April 1 and you did *not* submit a termination request in Workday on or before April 1, you *may* be eligible to participate in the voluntary layoff program (depending on whether you meet all other voluntary layoff program requirements).

If you want to change or cancel your pension commencement election, you should call your Retirement Coordinator for assistance. If you would like to cancel your election, your Retirement Coordinator will send you a written confirmation that you will need to complete and return. However, please remember that if you had submitted your required pension paperwork on or before April 1, changing or canceling your pension commencement election will not make you eligible for the voluntary layoff program.

Q: I haven't submitted the required paperwork to commence my pension benefits, but I did submit a termination request in Workday on or before April 1. Can I withdraw my Workday termination request so that I can apply for the voluntary layoff program (if eligible)?

A: No. If you have submitted a termination request in Workday on or before April 1 (for any termination reason), you will *not* be eligible to participate in the voluntary layoff program.

Q: I already canceled my May 1 pension commencement, but now I would like to reinstate as I am not eligible to participate in the voluntary layoff program. Can I reinstate my pension election for a May 1 commencement?

A: Yes. As long as you actually retire from Boeing on or before April 30, your May 1 pension commencement election can be reinstated. You should contact the Boeing Retirement Service Center as soon as possible and no later than May 20, 2020, to reinstate your election.

Q: If I am eligible and selected for the voluntary layoff program, what impact does the voluntary layoff have on my ability to start a pension benefit?

A: A voluntary layoff does not impact an employee's ability to commence their pension. If an employee is retirement-eligible, that employee may either defer commencement of a pension benefit until no later than age 65 or commence a pension as early as the first of the month following the layoff date. The employee may request a pension commencement packet as early as 90 days prior to the benefit commencement date, but no later than the 20th of the month before the date the employee wants to start receiving their benefit.

For example: If the layoff date is June 5, 2020, and the employee is retirement eligible and would like to start their pension with a benefit commencement date of July 1, 2020, the employee may complete the Retire Online process or request a commencement packet as early as April 1, 2020, but no later than June 20, 2020.

Q: If an employee is approved for the voluntary layoff program, what impact will that have on the amount of an employee's pension benefit?

A: If an employee is vested, the employee's accrued pension benefit will not be impacted by voluntary layoff. The employee's pension benefits earned while at Boeing will remain in place and will become payable when the employee meets their plan's retirement eligibility requirements and requests commencement of their benefits.

An employee may be able to earn additional vesting service for a period of time after the voluntary layoff. This additional service may allow the employee to become vested in their pension benefit and become eligible for early retirement provisions in the future. These rules vary significantly by pension plan. For more information, see the summary plan description for your pension plan, which is available in the Library on the Retirement Benefits website.

Q: If an employee participates in the voluntary layoff program, what happens to the employee's voluntary Investment Plan (VIP)/401(k) account?

A: The employee may leave their account in the VIP. There is no action required if the employee wants to leave the balance in their account; however, if the employee wants

to take a distribution, he/she must wait 15 days after the layoff date to allow sufficient time for trailing contributions or loan payments (if applicable). The employee may request a partial distribution, installment distributions, a total distribution, or an annuity (available only for balances over \$5,000) and may roll over the distribution to an IRA, Roth IRA or another employer plan.

If the employee has a loan in the VIP, the employee can make monthly loan repayments by direct debit from their bank account, but must leave a balance in the VIP to do so. Otherwise, the VIP loan will default upon the earliest of the following:

1. The date the employee takes a full distribution from the VIP, elects installment payments, or requests an annuity for the full account balance; or
2. the employee fails to make a payment within 90 days from the date the last loan repayment was received; or
3. The VIP loan is not paid in full within 30 days after the scheduled payoff date.

The employee may continue to make investment fund transfers or fund reallocations in their VIP account and use Financial Engines tools and services.

The employee will be sent a distribution packet shortly after the layoff date, with a detailed explanation of distribution, loan repayment, and tax options. For more information, see the [VIP summary plan description](#).

Voluntary Layoff Program's Impact on Health & Insurance Benefits

Q: Where can an employee find a summary of their layoff benefits?

A: Employees can find their summary plan descriptions at the links below.

Q: If an employee participates in the voluntary layoff program, when will the employee's active health plan coverage end?

A: The date active health plan coverage ends varies based on the employee's status and eligibility for retiree medical coverage. In most cases, active coverage will end at the end of the month in which the termination of employment occurs. However, if the

employee is eligible for retiree medical, active coverage may be extended until the end of the month following the month in which the termination of employment occurs. If the employee would like to continue health plan coverage after active coverage ends, the employee must elect and pay for COBRA continuation coverage, or retiree medical coverage, as applicable. As discussed above, laid off employees are eligible for subsidized COBRA medical and dental continuation coverage for a specified period following their layoff date (typically, three months, although certain collective bargaining agreements may contain different provisions). An employee should contact Worklife at 866-473-2016 and speak "health and insurance" at the prompt to inquire about information specific to their situation.

Q: When does COBRA coverage, if elected by a voluntarily laid off employee, end?

A: If a COBRA participant becomes covered by another group medical plan (e.g., the employee becomes enrolled in another employer's plan or obtains coverage as a dependent under a spouse's plan, or Medicare) that does not include an applicable exclusion or preexisting condition limit, they are no longer eligible to continue COBRA coverage under the Boeing health plan. The COBRA participant has the affirmative obligation to contact the Boeing Service Center for Health and Insurance Plans to self-report this other group medical plan coverage. In addition, COBRA coverage may end if the employee stops paying premiums, or once their applicable COBRA eligibility period ends (typically, 18 months). Employee should check their applicable summary plan description health plan for more information.

Q: If an employee is eligible for retiree medical and participates in the voluntary layoff program, is retiree medical eligibility forfeited?

A: No. The eligibility requirements for Boeing retiree medical coverage do not change because of a voluntary layoff. For information about, or to enroll in, retiree medical, an employee should contact the Boeing Service Center for Health and Insurance, or visit *Your Benefits Resources* through Health and Insurance on Worklife.

Q: If an employee who participates in the voluntary layoff program has a spouse

enrolled in a Boeing-sponsored plan, can the spouse add the employee and any child dependents as dependents to the spouse's plan? Is this a qualifying event under the plan?

A: Once the employee's active coverage under a Boeing medical and/or dental plan(s) ends as a result of a layoff event, the employee's spouse can add the employee as a dependent if the spouse has active coverage through Boeing. Note that this enrollment as a dependent will end the laid off employee's COBRA eligibility. The employee's child dependents must be eligible dependents of the employee's spouse to be covered under the spouse's coverage.

Impact on Relocation and Temporary Assignments

Q: For a US-based employee who has received company-authorized relocation benefits in the last 12 months, if they choose to participate in the VLO, will the employee be required to pay back the relocation costs in accordance with the [Relocation Repayment Agreement](#)?

A: Yes, the terms of the Relocation Repayment Agreement apply and the employee will be required to repay their relocation expenses if departing the company voluntarily within 12 months of the effective date of relocation. Note regarding new hires: In order to be eligible for VLO, employees have to be employed with Boeing for at least one full year.

Q: If an employee on Domestic Temporary Assignment (DTA) registered for VLO and was approved, would they owe back relocation benefits?

A: On a DTA, the company does provide the return from DTA benefit in the event someone is leaving the company. When the employee signs the DTA agreement with Altair, they agree to pay back an unused per diem that they have received for lodging and meals while on DTA. It is the employee's responsibility to alert their relocation counselor at Altair that they are approved for the VLO.

Global Mobility will need confirmation from the management or HRBP that the employee is leaving Boeing so that they can instruct Altair to administer the return from DTA for the employee who is approved for VLO. If the employee wants to stay in the DTA location, they are required to sign a statement with Altair that they are foregoing the return from DTA benefits.

Compensation/Pay Practices

Q: When will I be paid the lump sum layoff benefit?

A. The lump sum layoff benefit will be paid to you once you have executed the required release and waiver agreement and the revocation period (7 days after execution, or longer as permitted under applicable state law) has expired. If you choose to execute your release and waiver agreement by or before May 26, 2020, the revocation period will expire before your layoff date, and you will be paid your lump sum layoff benefit on your subsequent bi-weekly paycheck. If you choose to execute your release and waiver agreement after May 26, 2020 (but before the 45 day review period has run out), you will be paid your lump sum layoff benefit after your layoff date, within 30 days after the revocation period has expired on a subsequent bi-weekly paycheck. If you do not execute your release and waiver agreement within 45 days after receiving it, or you choose to revoke your release and waiver agreement during the revocation period after you execute it, you will not receive any layoff benefits.

Q. What happens to an employee's accrued PTO and sick leave if the employee participates in the voluntary layoff program?

A: Accrued PTO (or Vacation Credit) will be paid out at the rate in effect up to an including the effective date of termination of employment and based on rules of the applicable time-off plan. Sick Leave Credits earned and unused will also be eligible for payout based on the rules of the plan.

Q. What will happen to an employee's eligibility for incentive payments if the employee participates in the voluntary layoff program?

A: Voluntarily laid off employees who satisfy the requirements to receive layoff benefits will generally be eligible to receive pro-rated awards under the Company incentive plans in which they participated prior to layoff, to the extent an award is earned for that year's performance in accordance with the terms of the applicable plans. For more information on eligibility, visit the Incentives page in Worklife under Compensation.

Other Questions

Q. Under the voluntary layoff program, can an employee still receive a layoff benefit payment if the employee was previously laid off, received layoff benefits and was subsequently rehired?

A. An employee who has received a layoff benefit within the past three (3) years will not be eligible to receive another layoff benefit during this same period.

Q. If an employee qualifies for, and takes advantage of the voluntary layoff program, will the employee lose eligibility for state unemployment benefits?

A: The employee should refer to their state's unemployment website for eligibility criteria.

1. For California: <http://www.edd.ca.gov/Unemployment/>.
2. For Washington: <http://www.esd.wa.gov/>
3. For Missouri: <http://www.labor.mo.gov>.

For all other states, visit <http://www.servicelocator.org>.

Q: If an employee is offered a voluntary layoff opportunity, how will the required forms and materials (such as the release and waiver agreement) be provided?

A: If an employee applies for voluntary layoff and is accepted, forms and materials will be made available in Worklife. An overview of the program and helpful links can be found on the Leaving Boeing page in Worklife.

In the event an employee is not available to access Worklife at work, the same information can be access from home on a personal device. For more information, refer to the knowledge article [KB0010781 \(Managing Your Worklife Password\)](#).

Every effort has been made to provide an accurate summary of Boeing's benefits in this document. The material provided here about company policies, procedures, and benefits is for informational purposes only; it does not constitute a contract or contractual obligation. Certain eligibility provisions apply to each of the programs, policies, and benefits; not all of these provisions are described here. In the event of a conflict between this document and any of the benefit plans or collective bargaining agreements, the terms of the plans or collective bargaining agreements will control. Copies of official plan documents are available by written request through Worklife. The Boeing Company reserves the right to change, modify, amend, or terminate any or all of the provisions of the plans at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.