

The Boeing Company Voluntary Investment Plan (VIP)

Loan Guide

The Boeing Company Voluntary Investment Plan (VIP) allows you to set aside and invest a portion of your pay to help build an income source for retirement. However, if you're facing a large, unexpected expense you may have the option of borrowing from your VIP account. This guide will assist you in understanding the loan process and determining whether borrowing from your VIP account is the right option for you.

Borrow for the right reasons

There are both advantages and disadvantages to taking a loan from your VIP account. Any type of borrowing carries costs, so you should only borrow money from your VIP account when it's absolutely necessary and if it makes good financial sense.

Borrowing from your VIP account may not be such a good idea if you simply want to purchase a new car, pay for a vacation or ease general financial pressures.

To find out what your repayments would be before requesting a loan, use the loan modeling feature to explore different "what-if" scenarios for a particular loan amount and loan repayment term. Select "Loan Modeling" within the I Want To section of the My Retirement Income website.

Remember: Every contribution to the VIP is an investment in your future. Under certain circumstances, loans from the VIP may provide flexibility to meet short-term financial expenses. However they may also short-circuit your long-term savings strategy and cause you to end up with less money for your retirement. Although the interest is paid back to your VIP account, if the interest is less than the investment returns in your account portfolio, you could be losing long-term growth potential. In addition, repayments could cause you to reduce or stop making contributions (which could also stop your employer matching contributions).

Available loan types

There are two types of loans available from the VIP:

- General loans are available for any reason.
- Residential loans are available for the purchase of a primary residence.

These loan types are explained in more detail throughout the loan guide.

Loan rules

The general rules for requesting a general or residential loan are provided below. Rules that are common to both general and residential loans are shown in one column. Additional rules are presented in the topics below the chart.

Loan Rules	General Loan	Residential Loan
Loan eligibility	<p>Active participants and participants on a leave of absence (including military leave) may request a general or residential loan. Participants who transfer to a Boeing subsidiary that does not participate in the VIP are also eligible to request a general or residential loan from their VIP account even if they are no longer actively participating in the VIP.</p> <p>An active participant with a defaulted loan will not be allowed to take another loan from the VIP until the defaulted loan is paid off in full.</p> <p>New loans are not available to retired and terminated participants, beneficiaries of deceased participants, or from accounts created as a result of a qualified domestic relations order.</p>	
Minimum loan amount	\$1,000 (in whole dollars)	
Maximum loan amount	<p>The lesser of:</p> <ul style="list-style-type: none"> • 50% of your vested balance (subject to money type restrictions noted below) minus any outstanding loan balance; and • \$50,000 less your highest outstanding loan balance(s) during the 12 months preceding the date of the new loan. <p>Please note that some money types may not be available to take a loan against (i.e., money requiring spousal consent for a distribution, Roth contributions, Roth rollover contributions, and FSP contributions, and the earnings on these types of contributions) but are included to determine the dollar maximum you can request for a loan. Review the topic “<u>How loans are funded and credited back to your account</u>” for more information.</p> <p>For purposes of the above limits, loans under all plans maintained by Boeing or any subsidiary will be considered.</p>	
Maximum number of outstanding loans permitted at any time	<p>Two, regardless of whether they are both general, residential or one of each.</p> <p>If you wish to pay off a loan early in order to request another one, you must wait until the payoff is processed before you request the additional loan. There also will be a 7-day waiting period on requesting a new loan if your payoff was made by direct debit, money order, cashier’s check or certified check. The 7-day hold begins on the date that the payment is processed into your VIP account.</p>	
Interest rate	<p>Generally, once you take a loan, the interest rate is fixed for the life of the loan. The interest rate is the Prime Rate as quoted in The Wall Street Journal on the last business day of the month preceding the date of the loan. Different rules may apply if you are on a military leave of absence. Review the topic “<u>Loan repayments while on a leave of absence</u>” for more information.</p>	

Loan Rules	General Loan	Residential Loan
<p>Loan approval</p>	<p>Automatic, if you are eligible. You will be required to electronically sign the promissory note for your loan.</p>	<p>Your loan application, with a promissory note and disclosure statement, will be mailed to your address on file if you do not print it from the My Retirement Income website.</p> <p>Your request will remain pending until your application and supporting documentation is received by the Boeing Retirement Service Center. Acceptable documentation for a residential loan includes:</p> <ul style="list-style-type: none"> • A copy of the purchase agreement and/or closing statement signed by both buyer and seller; • A copy of the financing agreement signed by both buyer and financial institution (but not a pre-approval notice); or, • For new construction, a copy of the contract with the general contractor, the land deed, and the building permit. <p>Documentation must include all of the following:</p> <ul style="list-style-type: none"> • Dated within the last 6 months • The address of the residence being purchased • The purchase price • The amount of the down payment and closing costs • A closing date of no more than 6 months in the future • Signatures of both buyer and seller (or contractor for new construction) <p>Documentation must be submitted within 45 days of your request. If your documentation is not received within 45 days, your request will be cancelled and you must submit a new request.</p> <p>Once your documentation is received, it will be reviewed, approved if all requirements are satisfied, and the proceeds will be paid to you. If your loan is not approved or there is an issue with your documentation, you will be contacted by phone from the Boeing Retirement Service Center. If a Boeing Retirement Service Center Representative is unable to reach you, you will receive a Residential Loan Request Denial letter with the reason for the denial and/or a request for additional documentation.</p>

Loan Rules	General Loan	Residential Loan
Loan fees	<p>A \$50 nonrefundable loan application fee is charged to your account for each loan application that is processed.</p> <p>If you request expedited delivery of your loan check, your account will be charged a \$15 fee.</p> <p>If your loan repayment or payoff is rejected for any reason (i.e., insufficient funds, incorrect banking information), your account will be charged a \$15 fee.</p>	
Processing & Delivery Times	<p>Allow up to three business days from the date all documentation is received for approving and processing the loan and an additional three business days until your check is available for distribution.</p> <p>Once your check is available, it will be distributed based on the method that you have selected.</p> <ul style="list-style-type: none"> • U.S. Mail – allow five to seven business days for mail delivery from the East Coast. • Expedited Delivery - allow two to three business days for expedited delivery. <i>Note: There is a \$15 dollar fee charged to your account for this expedited service.</i> • Direct Deposit – available for online requests or through a representative (however, you must set up the direct deposit instructions online prior to contacting a representative to request this method of delivery). Review the topic “<u>How to set up direct deposit for your loan check</u>” below. 	
Minimum repayment period	3 months	61 months (5 years and 1 month)
Maximum repayment period	60 months (five years)	240 months (20 years)
Repayment start date	As soon as administratively possible, generally within two pay periods from the date the loan was processed.	
Method of repayment	<p>If you are an active participant, your repayments will be made through payroll deductions as long as there is enough pay to cover the loan repayment amount. Active participants do not have the option to stop the loan repayments through payroll deduction. Partial loan payments cannot be made through payroll deductions. If your paycheck is not sufficient to cover your loan repayment, the entire repayment will be missed. You will receive a notice from the Boeing Retirement Service Center if this occurs. Active participants and participants on leave of absence who are not currently receiving regular paychecks or have insufficient pay, must mail loan repayments directly to the Boeing Retirement Service Center using an acceptable form of payment.</p> <p>Review the topic “<u>Acceptable forms of payment for recurring loan repayments</u>” below for more information.</p> <p>If you transferred to a Boeing subsidiary that does not participate in the VIP or terminated employment, you may continue to make loan repayments by direct debit.</p>	

Loan Rules	General Loan	Residential Loan
Repayment frequency	<p>If you are on the active payroll, loan repayments are deducted from your pay each pay period.</p> <p>If you transfer payroll locations or you are rehired, have an outstanding loan, and your new payroll location is on a different pay frequency than your prior payroll, your loan will automatically be reamortized and your loan repayments will be deducted according to the pay frequency of your new payroll location. For example if your prior location was paid bi-weekly and your new payroll location is paid weekly, your loan will be reamortized from bi-weekly to weekly repayments.</p> <p>If you are terminated or have transferred to a Boeing subsidiary that does not participate in the VIP, your repayments may be made monthly by direct debit. Review the topic “<u>Acceptable forms of payment for recurring loan repayments</u>”.</p> <p>Note: Your obligation to make loan repayments will continue while you are in bankruptcy status.</p>	
Loan payoffs	<p>There is no penalty if you choose to pay your loan off early. You may pay your loan in full any time after 30 days from the loan processing date.</p> <p>Partial loan payoffs are not permitted. For more information on paying off your loan, review the topic “<u>Acceptable forms of payment for a total loan payoff</u>”.</p>	
Loan default	<p>Your loan will be declared in default and become payable in full immediately if any of the following events occur:</p> <ul style="list-style-type: none"> • You fail to pay the outstanding loan in full within 30 days after the loan is due to be paid off. • You fail to make a payment 90 days after the date the last loan repayment was received. (Different rules may apply if you are on a leave of absence. Review the topic “<u>Loan repayments while on a leave of absence</u>” for more information.) • As a terminated participant, you request a full distribution of your VIP account, installment payments, or an annuity for your full account balance before the outstanding loan is paid off. <p>Important: If your loan goes into default and is not paid in full, the outstanding amount of your loan will be reported as a taxable distribution from your VIP account on Internal Revenue Service Form 1099-R, subject to taxes and IRS penalties, for the year in which the default occurs. Defaulted loans will continue to accrue interest until paid off in full.</p> <p>If your loan is in default, it will be offset against your VIP account balance to repay the loan if you are, or when you become, eligible to elect a distribution of your entire account balance.</p>	

How to set up direct deposit for your loan check

You may elect direct deposit for your loan check through the My Retirement Income website. When you request a general or residential loan, enter your direct deposit information in the area provided. Please enter your bank information carefully. It is your responsibility to provide accurate information. Any errors in the data entered will cause a significant delay in receiving your loan check.

Please note that if you already have bank account information on file for your VIP account but you would like to deposit your loan to a different bank account, the new account will be used for the loan check only. To update your banking information on file, you must enter the new information by selecting “Manage Direct Deposit” within the I Want To section of the My Retirement Income website.

How loans are funded and repayments are credited back to your account

A portion of the investments in your VIP account is sold to fund the loan. As a result, you no longer experience investment gains or losses on this portion until it is repaid to your account. Account values will be determined using the closing prices on the day the loan is requested if the request is made before 4 p.m. Eastern time; otherwise, the next business day’s closing price will be used. The loan amount is deducted proportionately from all of the funds in which you are invested based on the balance in each fund.

Please Note: Roth contributions, Roth rollover contributions, FSP contributions (and earnings on these types of contributions) and money requiring spousal consent to be distributed will be used to determine the maximum loan amount you may be eligible for, but will not be used for the loan. Please pay careful attention to this rule especially if you are making most or all of your contributions on a Roth basis, as it may affect how much is available for loan purposes in the future.

The following chart shows the order in which your account is reduced when you take a loan (Account Reduction Hierarchy) and the order of how loan repayments are credited back to your account (Account Repayment Hierarchy).

Account Reduction Hierarchy	Account Repayment Hierarchy
<ul style="list-style-type: none">• employer matching contributions• aftertax contributions• rollover aftertax contributions• rollover pretax contributions• pretax contributions (includes incentive contributions made on a pretax basis)• catch-up contributions• QNEC contributions• retirement contributions• company contributions	<ul style="list-style-type: none">• pretax contributions (includes incentive contributions made on a pretax basis)• catch-up contributions• rollover pretax contributions• rollover aftertax contributions• aftertax contributions• employer matching contributions• QNEC contributions• retirement contributions• company contributions

Acceptable forms of payment for recurring loan repayments

The following forms of loan payments will be accepted based on your employment status. Please note that only the forms of payment listed below for each status will be accepted. Any form of payment not listed, including personal checks, will not be accepted and will be returned to you.

Recurring Loan Repayments			
Status	Acceptable Forms of Payment		
	Payroll Deductions (aftertax basis)	Direct Debit	Money Order Certified or Cashier's Check
Active	Yes	No	No
Active – delinquent loan repayments	No	No	Yes
Leave of Absence	Yes, if you are receiving a paycheck and have sufficient funds	No	Yes
Military Leave of Absence	Yes, if you choose to have repayments deducted from differential pay	No	Yes
Terminated	No	Yes**	No
Transferred to a non-participating subsidiary	No	Yes**	No

** Your loan will be reamortized to a monthly payment frequency and you will receive the new monthly payment amount with payment instructions from the Boeing Retirement Service Center soon after your employment has ended.

If you make a loan repayment by direct debit, money order, certified check or cashier's check, a 7-day hold on in-service withdrawals, new loan activity and termination distributions will be placed on your account. The 7-day hold begins on the date that the payment is processed into your VIP account.

How to set up recurring monthly repayments by direct debit from your bank account – terminated participants or participants who transferred to a subsidiary that does not participate in the VIP only:

- Select "Request Electronic Loan Payments" within the I Want To section under the Voluntary Investment Plan.
- You may select either the 10th of the month or the 25th of the month for when you would like your repayment debited from your account each month. If that day is not a business day in any month, your account will be debited on the next business day after your selected date. A business day is a day in which the U.S. Stock Market is open. In order for the electronic loan repayment request to be effective in the same month, your request must be received at least 5 days prior to the date it will be debited from your bank account. Requests initiated less than 5 days prior to the debit date will become effective the following month.
- Once your direct debit request has been completed, you will receive an Electronic Loan Payment Confirmation.
- If your direct debit has not yet processed, you may change or cancel your transaction before 11:59 p.m. Eastern time on the day you made your direct debit request, by selecting "Request Electronic Loan Payments" within the I Want To section of the My Retirement Income website and clicking change or cancel. Please verify your transaction status before entering another transaction. If you enter another request after 11:59 p.m. Eastern time, the funds will be debited from your bank account again. If your account is debited more than one time your overpayment will be sent back to you in the form of a

check (generally after 10 business days).

- Example of timing of loan repayment by direct debit: Repayment request is submitted on the 5th of the month before 11:59 p.m. Eastern time for recurring repayments on the 10th of the month. Repayment will be debited from your bank account on the 10th of the month (or the next business day, as applicable) and will be posted to your VIP account four business days later.

Repay your loan or make a missed repayment* by money order, certified check, or cashier's check – Participants on leave of absence (including military leave) who are not currently receiving regular paychecks or who missed a repayment from payroll deductions:

- **Make your money order, certified check or cashier's check payable to The Boeing Voluntary Investment Plan.** Write **Loan Repayment** in the memo section of the money order, certified check, or cashier's check and include your BEMSID. You must also include a loan coupon with each loan repayment for it to be processed timely. Please call the Boeing Retirement Service Center to request loan coupons. Your repayments must be in the exact amount of your normal repayment amount that would otherwise be deducted each payroll (or an exact multiple of that amount).
- Send your payment along with your loan coupon to either address below.

Regular Mail

Boeing Retirement Service Center
PO Box 360989
Pittsburgh, PA 15251-6989

Overnight Delivery

Bank of New York Mellon
Pittsburgh Lockbox
ATTN: Lockbox 360989
500 Ross Street
Suite 154-0455
Pittsburgh, PA 15262

If any of the requested information is incorrect, illegible or incomplete, the payment will not be accepted and the amount of the money order or check will be returned to you in the form of a bank check from BNY Mellon.

* Active participants who missed a repayment from payroll deductions will receive a Loan Delinquency Notice in the mail informing them of their missed repayment.

Acceptable forms of payment for a total loan payoff

The following forms of loan payments for a total loan payoff will be accepted based on your employment status. Please note that only the forms of payment listed below for each status will be accepted. Any form of payment not listed will not be accepted and will be returned to you.

Total Loan Payoffs				
Status	Acceptable Forms of Payment			
	Payroll Deductions (aftertax basis)	Direct Debit	Money Order	Certified or Cashier's Check
Active	No	Yes	Yes	Yes
Leave of Absence	No	Yes	Yes	Yes
Military Leave of Absence	No	Yes	Yes	Yes
Terminated	No	Yes	Yes	Yes
Transferred to a non-participating subsidiary	No	Yes	Yes	Yes

If you pay by direct debit, money order, certified check or cashier's check, a 7-day hold on in-service withdrawals, new loan activity and termination distributions will be placed on your account. The 7-day hold begins on the date that the payment is processed into your VIP account.

Total Loan Payoffs are not permitted through payroll deductions; however, a participant who makes recurring loan repayments on schedule through payroll deductions for the entire term of their loan will pay off the loan by the maturity date through payroll deductions.

Follow these instructions to pay off a loan

Refer to the Acceptable forms of total loan payoffs by employment status above.

To pay off your loan in full by direct debit from your bank account:

- Go to the My Retirement Income website from My Retirement Benefits. Select "Request Electronic Loan Payments" within the I Want To section under the Voluntary Investment Plan.
- Follow the instructions online to set up direct debit.
- Once your direct debit request has been completed, you will receive an Electronic Loan Payment Confirmation.
- If your direct debit has not yet processed, you may change or cancel your transaction before 11:59 p.m. Eastern time on the day you made your direct debit request, by selecting "Request Electronic Loan Payments" within the I Want To section of the My Retirement Income website and clicking change or cancel. Please verify your transaction status before entering another transaction. If you enter another request after 11:59 p.m. Eastern time, the funds will be debited from your bank account again. If your account is debited more than one time your overpayment will be sent back to you in the form of a check generally after 10 business days.
- Example of timing of payoff by direct debit: Payment request is submitted Monday before 11:59 p.m. Eastern time. Payment will be debited from your bank account on Wednesday and will be posted to your VIP account the following Tuesday (assumes no stock market holidays or closures). If any loan repayments are processed prior to or in accordance with the loan payoff, you will receive a refund of the excess amount.

To pay off your loan in full by money order, certified check or cashier's check:

- Go to the My Retirement Income website from My Retirement Benefits. Select "Request a Loan Payoff" within the I Want To section under the Voluntary Investment Plan.
- Click on the **Loan Number** to select the loan to pay off.

- Select **Request Mailed Loan Payoff Form** or **Print Loan Payoff Form Now** to print locally on your own printer.
- Complete and return the form with your money order, certified check or cashier's check. Instructions about where to mail the form and payment are included on the form.
- You also have the option of paying off your loan in full by calling the Boeing Retirement Service Center to arrange for a total loan payoff.

Loan repayments while on a leave of absence

During periods when you are on an approved leave of absence, loan repayments will continue to be taken from any paycheck made through the Boeing payroll systems (including, but not limited to, BPS, Jeppesen, and Spectrolab). The pay you receive during your leave may consist of a combination of vacation pay, sick pay, holiday pay and short term disability pay.

If you are not receiving pay or your pay is insufficient during your leave period, you should continue to make scheduled loan repayments directly by mail by calling the Boeing Retirement Service Center and requesting loan coupons. Send the loan coupon with your money order, certified check or cashier's check to the Boeing Retirement Service Center at the address listed in the topic above, "**Acceptable forms of payment for recurring loan repayments**".

While you are on a leave of absence, if you are unable to make loan repayments, you will have a 12 month grace period which will begin from your first missed payment. Interest will continue to accrue during the grace period. In addition, this grace period does not extend your loan payoff date. *If your loan is scheduled to be paid off during your leave, it must be paid in full within 30 days after the scheduled payoff date, or your loan will default regardless of the 12 month grace period.* Missed or late payments will result in additional accrued interest on your loan. If your loan is defaulted, the outstanding balance including interest accrued since the date of the last repayment will be treated as a taxable distribution to you and reported to the IRS. You will not be able to request a new loan from your account until the defaulted loan is paid in full. If you are on a military leave of absence, other rules may apply. See below for more information about loan repayment rules for those on military leave of absence.

Loan repayments while on a military leave of absence

If you are on a military leave of absence and you are unable to make loan repayments, your loan repayments will be suspended for the duration of your military leave. You may request to have loan repayments continue to be deducted from any differential pay you receive during your military leave of absence by calling the Boeing Retirement Service Center. You also may choose to continue to pay your scheduled loan repayments directly by mail to the Boeing Retirement Service Center at the address listed in the topic above, "**Acceptable forms of payment for recurring loan repayments**".

While on military leave of absence, you will have a grace period during which you are not required to make repayments. The grace period is equal to the length of your military leave of absence. However, your loan will continue to accrue interest for the duration that you are not able to make payments. Your loan repayments will resume when you return to work but the maturity date of your loan will be extended for the period of your military leave, up to five years. For example, if you have a five-year loan and are on a military leave for six months, repayments are not required during the six-month leave period. When you return from leave, repayments resume, and your loan will be reamortized to ensure it is fully paid within five years and six months of the loan origination date (this represents the original loan period of five years plus the six-month leave).

If the interest rate of your loan is greater than 6% at the time of your military leave, your loan will be reamortized based on a 6% interest rate for the duration of your leave. Once you return from military leave, your loan will be reamortized back to the original interest rate and will include any interest that accrued during your leave of absence. Please note that this may cause a change to your original loan repayment amount.

Requesting a loan

To request a loan, access your retirement benefits online or speak with the Boeing Retirement Service Center.

New loans are not available to retired and terminated participants, beneficiaries of deceased participants, or alternate payees of accounts created as the result of a qualified domestic relations order.

Acquisitions, Divestitures, and Plan Mergers

Special rules may apply to participants who are employees of acquired or divested companies or who have loans outstanding under a plan that was merged into the VIP. Those rules are not summarized in this Loan Guide. Contact the Boeing Retirement Service Center if you have questions regarding those rules.

Every effort has been made to provide an accurate summary of the VIP's loan provisions in this Loan Guide. The material provided here 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 the VIP's plan document, the terms of the VIP's plan document will control. Copies of official plan document are available by written request through the "Contact TotalAccess" form on the Boeing TotalAccess Web site. The Boeing Company reserves the right to change, modify, amend, or terminate any or all of the provisions of the VIP at any time and for any reason for employees, former employees, retirees, and their dependents and/or beneficiaries.