

Loan Guide

Boeing Voluntary Investment Plan (VIP)

Loans from your Boeing Voluntary Investment Plan (VIP) account can help you take care of your financial needs. This guide gives you an overview of the loan process and explains how to apply for a loan.

At the end of this document you will find instructions on how to access your account online or by phone.

The VIP is designed primarily to help you save money for retirement. However, you may be able to use a portion of your money before you retire by taking a loan from your account.

Before you request a loan, keep these points in mind:

- A non-refundable loan application fee of \$50 will be charged to your account.
- You're taking money out of your account, so this money will not be experiencing investment gains or losses or earning Boeing Stock Fund dividends. However, the interest you pay on your loan is applied back to your account.
- Your loan repayments will be deducted from your paycheck on an aftertax basis. Consider the loan repayment amount and how it will affect your take-home pay before applying for a loan. In addition, consider that your regular savings plan contributions will also continue to be withheld from your check.

If you leave the Company and have an outstanding loan in the VIP, you may continue to make loan payments on a monthly basis by setting up recurring monthly payments by direct debit from your bank account until your loan is scheduled to be paid off. See more details on making loan payments and setting up the direct debit option, after you leave the Company in the Loan default section below.

General facts about loans

- General loans (non-residential) available for any reason
 - repayment period is up to five years.
 - check mailed within two business days after your loan request has been made through the Boeing Savings Plans Online website or the Boeing Savings Service Center.
 - a direct deposit option is available for VIP loans.
- Residential loans available for the purchase of a primary residence only
 - residential loan applications available through the Boeing Savings Plans Online website or through the Boeing Savings Service Center.
 - valid purchase and sales agreement with buyer and seller signatures is required for approval.
 - repayment period is up to 20 years.
 - residential loan checks are mailed within two business days after Voya receives the signed promissory note, appropriate documentation and the loan has been approved. Terms of promissory note enclosed with loan package: valid for 45 days.
 - a direct deposit option is available for VIP loans.
- Maximum number of outstanding loans at any one time is two from all Boeing sponsored savings plans.
- Minimum loan amount is \$1,000.

- Maximum loan amount is the lesser of:
 - 50 percent of your vested account balance for all plans minus any current outstanding loan balances, or
 - \$50,000 minus your highest outstanding loan balance(s) and any defaulted loans from all Boeing sponsored savings plans in the past 12 months.
- If you have two loans in the same plan, or you have two loans between the VIP and another Boeing sponsored savings plan, and you are paying off one of the loans, you must wait until the second day from the date the loan payoff is processed before requesting a new loan from either plan.
- Interest rate is the Prime Rate as quoted in The Wall Street Journal on the last business day of the preceding month. The interest rate is updated monthly. Once you take a loan, the interest rate is fixed for the life of the loan (If you are on a military leave of absence, see the leave of absence section for additional information regarding loans while on military leave).
- Non-refundable loan application fee is \$50 for each loan, charged to your account.
- Expedited delivery of your loan check is available for a \$25 fee which will be charged to your account.
- Loans are paid back by automatic payroll deductions on an aftertax basis.
 - If you are on the Spectrolab payroll, your loans will be amortized and deducted weekly.
 - If you are on the Boeing Payroll System (BPS) or Jeppesen payroll, your loans will be amortized and deducted bi-weekly from each paycheck.
 - If you transfer payroll locations and the new payroll location is on a different pay frequency than your prior payroll, your loan will automatically be reamortized and deducted according to the pay frequency of your new payroll location.
 - If you are rehired and your loan is still active, your loan will automatically be reamortized and deducted according to the pay frequency of your payroll location.
- Loan repayments, including interest, are deposited directly into your plan account, following your current investment fund election.
- Partial loan payoffs are not permitted.
- Full loan payoffs are permitted. You must wait for a full 30 days to pass prior to paying off a new loan. Not waiting the full thirty days could affect the availability of your next loan.
- If you have defaulted on a loan in any Boeing sponsored savings plan, you may not request another loan, until the defaulted loan balance plus interest has been paid in full.

Model and Request a Loan

You may apply for a general loan or request an application for a residential loan through the Boeing Savings Plans Online website or the Boeing Savings Service Center, see **How to access your account**. To find out what your repayments would be before deciding on a loan amount, use the loan modeling feature to explore different “what-if” scenarios for a particular loan amount and a specific loan repayment term.

Request a loan amount and a repayment term of between 3 to 60 months for a general loan, or from 61 months to 20 years (240 months) for a residential loan.

Note: while you may model both general and residential loans, a check or direct deposit will be processed for only a general loan request. Residential loan requests will generate a promissory note and truth in lending statement that will be delivered to your address of record. You can also view and print this document in the Correspondence section of the Statements & Documents link located on the Boeing Savings Plans Online website. You must submit this document along with a residential loan application and the proper supporting documentation. A check or direct deposit will not be processed until after your residential loan application has been approved. Remember, you may have up to a maximum of two loans

outstanding across all Boeing Savings Plans at any time. However, you may request only one loan per day.

There is a non-refundable loan application fee of \$50, which will be charged to your account. The loan check, along with a disclosure statement and a confirmation notice, will be mailed directly to your home address, generally within two business days (Allow time for mailing from the EastCoast.). Direct deposit is only available for loans processed online from the Voluntary Investment Plan.

Loan Delivery Options

When you request a loan from the VIP you will be asked to select a delivery option. You can choose between regular U.S. mail (please allow up to 7 days for delivery), a direct deposit option to the banking institution of your choice (available for online requests only, see information below to set this up) or expedited delivery for a \$25.00 fee, which is deducted from your account.

- Regardless of the delivery option you select, you must allow 2 business days for processing your request before the check or direct deposit is ready to be delivered. For example, if you want expedited delivery and you request your loan before 4:00pm Eastern Time on Monday, the check will be available on Wednesday for expedited delivery and you should receive it on Thursday.

- To establish the direct deposit authorization for your VIP account, follow these steps:

- You may enter direct deposit information for the banking institution of your choice for future VIP loan requests. Direct deposit information may be entered on the Boeings Savings Plans Online website or with a Boeing Savings Customer Service Representative. Online, select 'Personal Information', then select Banking Information and follow the steps to submit your bank account information.
- **PLEASE PLAN IN ADVANCE** – Once you initiate or change your direct deposit information online or with a Boeing Savings Customer Service Representative, there is a **7 calendar day waiting period** before the direct deposit option will be available. During this waiting period, you will still have the option to receive a check by mail.
- Once your direct deposit information has been established and is available after the 7 calendar day waiting period, you may use this delivery option for VIP loan requests processed online.
- When you request a loan via direct deposit, you will need to read and consent to electronic disclosure of the Truth-in-Lending Disclosure and Loan Agreement.

How loans are funded

The money you request for a loan will be taken from your account in the following order: your employer matching contributions, aftertax contributions, rollover aftertax contributions, rollover pretax contributions, pretax contributions (which includes catch-up contributions and incentive contributions), QNEC contributions, retirement contributions and your automatic company contributions. A portion of your investment funds are sold to fund the loan. As a result, you no longer experience 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.

After a new loan is approved

Loan repayments for active employees will be made through payroll deductions. As long as an employee receives enough pay to cover the loan repayment, the repayment will be made through payroll deduction. Active employees cannot choose a different loan repayment option. Active employees who are not currently receiving regular paychecks, who have insufficient pay, or who are transferred to a non-participating subsidiary, must mail loan repayments directly to Voya. See "How to make repayments or payoffs to Voya" at the end of this document for instructions on sending checks directly to Voya.

If you are on the Spectrolab payroll, your loan repayments will start the second Friday following the week in which your loan was made or as soon as administratively possible, and will be deducted from each weekly paycheck.

If you are on the Boeing Payroll System (BPS) or Jeppesen payroll, your loan repayments will start three weeks following the week in which your loan was made, or as soon as administratively possible, and will be deducted from each bi-weekly paycheck.

Loan repayments will be posted to your account in the following order: your pretax contributions (which includes catch-up contributions and incentive contributions), rollover pretax contributions, rollover aftertax contributions, aftertax contributions, employer matching contributions, QNEC contributions, retirement contributions and your automatic company contributions according to your current investment elections.

Missed or late repayments

As an employee, if you miss a loan repayment or are late with a loan repayment, you will receive a notice from Voya. Missed/late repayments will result in additional accrued interest on your loan. Missed repayments must be paid directly to Voya. See “How to make repayments or payoffs to Voya” at the end of this document for instructions on sending checks directly to Voya.

Note: Your loan repayment deductions will not stop from Payroll if you should declare bankruptcy. Your obligation to make loan repayments will continue while you are in bankruptcy status.

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 (BPS, Jeppesen, and Spectrolab). This 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 mail in your scheduled loan repayments to Voya at the address listed in the “How to make repayments or payoffs to Voya” section at the end of this document. If you are unable to make repayments, additional interest will continue to accrue on the outstanding loan balance. However, a twelve-month grace period during your leave will begin upon the first missed payment, thus preventing your loan from defaulting. This grace period does not extend your loan payoff period. During this period you will not receive ‘missed payment’ notices. You are encouraged to mail payments direct to Voya. Once this grace period has expired or you have returned from leave, you will need to make a repayment within 90 days or your loan will be defaulted. Even though you are on an approved leave of absence, you are required to repay your loan in full within 30 days after the date the loan was originally scheduled to be repaid or the remaining loan balance will be defaulted, regardless of the twelve-month grace period. Remember, interest will continue to accrue if you choose to wait until the term of the loan is completed to repay your loan in full. Different rules may apply if you are on a military leave of absence, see below.

Military leave of absence

If you are on a military leave of absence, your loan repayments will be suspended from any paychecks made through the Boeing payroll systems (BPS, Jeppesen, and Spectrolab) for the duration of your military leave. You may continue to mail in your scheduled loan repayments to Voya at the address listed in the “How to make repayments or payoffs to Voya” section at the end of this document. Interest will continue to accrue during your leave. If the interest rate on your loan is above 6 percent, your loan will be reamortized at the lower 6 percent interest rate while you are on military leave status.

When you return from military leave, loan repayments will automatically resume by payroll deduction. The term of your loan will be extended for the duration of the military leave when you return to active status. Your loan will be reamortized back to the original interest rate and may include any accrued interest which may result in a new repayment amount.

Acceptable Forms of Loan Payment

The following forms of loan payments will be accepted based on your employment status.

Early loan payoffs if you are active, on a leave of absence or terminated:

- Direct debit from your bank account in your VIP account or
- Money order
- Cashiers and certified checks

If you pay by direct debit, a 7-day hold on in-service withdrawals, new loan activity and termination distributions will be placed on your account.

If you pay by cashiers or certified check, a 21-day hold on in-service withdrawals, new loan activity and termination distributions will be placed on your account.

Personal checks will not be accepted for loan payoffs. Any checks received will not be accepted and will be returned to you.

Recurring monthly loan payments if you are a terminated participant:

- Direct debit from your bank account

Personal, cashiers checks, certified checks and money orders are not accepted forms of recurring monthly loan payments for terminated participants. Any checks or money orders received will not be accepted and will be returned to you.

Recurring payments if you are on a leave of absence or loan payments to prevent your loan from defaulting if you are active, on a leave of absence, or military leave of absence

- Personal, cashiers, and certified checks
- Money orders

If you pay by personal check, cashier check or certified check a 21-day hold on withdrawals and new loan activity will be placed on your account.

Loan prepayment

- You must wait for a full 30 days to pass prior to paying off a new loan. Not waiting the full thirty days could affect the availability of your next loan.
- Early loan payoffs incur no penalty.
- Partial loan payoffs are not permitted.
- Once a payoff has been posted to your account, if a money order is returned for any reason or your direct debit payment has been recalled for insufficient funds, there will be a \$20 fee deducted from your account.

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

- Log onto your VIP account at Boeing Savings Plans Online. Select Account then Loan Payment under the Loans topic. If you have more than one account, you will need to first click **Boeing Company VIP**. On the next page, select Loans then Loan Payment. The screen will provide the payoff amount for each outstanding loan. Select the loan(s) you wish to payoff and follow the on-screen instructions. **NOTE: You will not be able to cancel a ‘pending’ loan payoff transaction.** The loan payoff amount will be deducted from the banking information you have on file.

A 7-day hold on withdrawals, new loan activity and termination distributions will be placed on your account.

See the Online section of “How to access your account” below for details on how to set up your banking information on your VIP account.

- You can verify your transaction has been accepted by selecting Account then Pending Transactions. After 4PM, your transaction will show by selecting Account then Account Activity.
- Please verify your transaction status before entering another transaction. If you enter another request AFTER 4pm eastern, the funds will be debited from your 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: Payment is submitted Monday before 4:00pm eastern. Payment will process on Thursday and will be visible on the web Friday. (assumes no stock market holidays or closures)***

To pay off your loan in full by money order:

- Request your loan payoff amount from the Boeing Savings Plans Online website or the Boeing Savings Service Center. Instructions and mailing address are below.

Loan default

Your VIP loan will default if:

- the loan is not paid in full within 30 days after the payoff date.
- a repayment is not made within 90 days after the last repayment was received. (Different rules may apply if you are on a leave of absence, please see the leave of absence and military leave of absence sections above).
- as a terminated participant you request a full distribution of your VIP account, elect installment payments or request an annuity for your full account balance before the outstanding loan is paid off.

Outstanding VIP Loans – avoiding loan default

If you have a VIP loan and your employment is terminated, you may continue to make loan repayments on a monthly basis until the scheduled payoff date via direct debit from your bank account. Your loan will be reamortized to a monthly payment frequency and you will receive the new monthly payment amount with payment instructions from Voya soon after your employment has ended.

Your VIP loan will default the earlier of:

- the date you take a full distribution from the VIP, elect installment payments or request an annuity for your full account balance. You must leave a balance in the Plan if you want to continue to make loan payments.
- you fail to make a payment within 90 days from the last payment.

- your VIP loan is not paid in full within 30 days after your scheduled payoff date.

To set up recurring monthly repayments by direct debit from your bank account – terminated participants only:

- Log onto your VIP account at Boeing Savings Plans Online. Select Account then Loan Payment under the Loans topic. If you have more than one account, you will need to first click **Boeing Company VIP**. Select Account then Loan Payment under the Loans topic. The screen will provide the monthly repayment amount for each outstanding loan. Select ‘automated recurring direct debit payments for active loans’ and follow the on-screen instructions. The loan repayment amount will be deducted from the banking information you have on file on the 15th of every month. The loan repayment will post to the participant’s account on the 3rd business day after the 15th of every month.
- To rescind your recurring monthly loan payments you must make this request in writing. Send your letter to arrive by the 10th of the month requesting to have your loan payments stopped. Include your VIP loan number, BEMS ID number (or Social Security number) and monthly loan amount in the letter. See mailing Instructions below.
- Once a loan payment has been posted to your account, if the direct debit payment has been recalled for insufficient funds, there will be a \$20 fee deducted from your account.

Important: If you do not repay your outstanding loan balance before the earlier of the periods described above, your loan(s) will immediately become due and payable in full. The outstanding amount of your loan will be reported as a taxable distribution from your Plan account on Internal Revenue Service Form 1099-R, subject to taxes and IRS penalties. Loans issued after 12/31/2001 which subsequently become defaulted will continue to accrue interest as outstanding loans against your Plan account. Active participants are encouraged to pay off defaulted loans. If a defaulted loan is not repaid, interest will continue to accrue and you will not be allowed to take another loan from the VIP.

How to make repayments or payoffs to Voya

Refer to the Acceptable forms of loan payments by employment status above

- Prepare a money order for the loan payoff amount. Prepare a money order or check (if your status allows) for the repayment amount. If you pay by personal check, cashier check or certified check a 21-day hold on withdrawals and new loan activity will be placed on your account.
- Write your BEMSID number or Social Security number, loan number(s) and the VIP on the front of your money order or personal check.
- Make your check or money order payable to: **State Street Bank**
- Mail your payment to:
 - *Voya*
Boeing Savings Plan Administration
P.O. Box 5166
Boston, MA02206-5166
- For overnight delivery, mail your payment to:
 - *Voya*
Attn: Boeing Plan Administration
BraintreeHillOffice Park
02184
- If any of this information is incorrect, illegible, or incomplete, the check or money order may be returned to you.

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Braintree, MA

- Once a repayment has been posted to your account, if a check is returned for any reason or your direct debit payment or payoff has been recalled for insufficient funds, there will be a \$20 fee deducted from your account.

How to access your account

Telephone

Call Boeing TotalAccess at 1-866-473-2016 and when the automated phone system asks “How can I help you today” say “I would like to speak with the Savings department”. You must have your BEMSID number and Boeing TotalAccess password when you call. (TTY/TDD users call: 1-866-628-5803.)

Once you are transferred to the Boeing Savings Service Center and you are connected to your Savings Plan account:

Press zero(“0”) to speak with a Customer Service Associate during business hours to hear the maximum loan amount available to you, model or request a new loan, request a residential loan package or to request your loan payoff amount. Representatives are available from 9am to 9pm Eastern Time, Monday through Friday except for stock market holidays.

Online

Go to <http://my.boeing.com>, select TotalAccess and the My Savings & Pension tab. Click on Retirement Savings Plans. The link to Boeing Savings Plans Online is located under Retirement Savings Plans in the middle of the screen. If you are not at a Boeing location, or you are already terminated from the Company, log on to your account at www.boeing.com/expressor log on at <https://my-ext.boeing.com> . You must have your BEMSID number and Boeing TotalAccess password when accessing your account outside of Boeing locations.

On the Boeing Savings Plans Online home page, select Account then Loans. If you have more than one account, you will need to first click **Boeing Company VIP**.

Select Personal Information, then Banking Information to set up direct deposit for your VIP account.

Select Account then Loans to view your current loan balance, and loan payoff information. Select Account then Loan Payment under the Loans topic to process a loan payoff or automate recurring payments via direct debit. **Note: You will not be able to cancel a ‘pending’ payoff transaction via direct debit.** From here you may view the maximum loan amount available to you, model and request a new loan or request a residential loan package.

This loan guide summarizes the plans’ official legal text. See your VIP Summary Plan Description booklet and Benefits Updates for more detailed information. Every effort has been made to provide an accurate summary of the VIP loan features. In the event of a conflict between this summary and the Plans, the terms of the Plans will control.

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